

SENATE BILL 402 (LRB -3618)

An Act relating to: expenditure of \$228,792.62 from moneys appropriated to the Department of Administration in payment of a claim against the state to indemnify Georgia Thompson, a state of Wisconsin employee. (FE)

2008

01-18.	S.	Introduced by Senator Miller ; cosponsored by Representative Stone .	
01-18.	S.	Read first time and referred to joint committee on Finance	519
01-30.	S.	Senator Taylor added as a coauthor	548
01-30.	S.	Executive action taken.	
01-31.	S.	Fiscal estimate received.	
01-31.	S.	Report passage recommended by joint committee on Finance, Ayes 15, Noes 0	551
01-31.	S.	Available for scheduling.	
01-31.	S.	Rules suspended to withdraw from committee on Senate Organization and take up	555
01-31.	S.	Read a second time	555
01-31.	S.	Ordered to a third reading	555
01-31.	S.	Rules suspended	555
01-31.	S.	Read a third time and passed , Ayes 32, Noes 0	556
01-31.	S.	Ordered immediately messaged	556
02-04.	A.	Received from Senate	485
02-04.	A.	Read first time and referred to committee on Rules	487
02-28.	A.	Placed on calendar 3-5-2008 by committee on Rules.	
03-05.	A.	Read a second time	26
03-05.	A.	Ordered to a third reading	26
03-05.	A.	Rules suspended	26
03-05.	A.	Read a third time and concurred in , Ayes 94, Noes 0	26
03-05.	A.	Ordered immediately messaged	26
03-06.	S.	Received from Assembly concurred in.	

MB

**2007
ENROLLED BILL**

07en SB-402

ADOPTED DOCUMENTS:

Orig Engr SubAmdt

07 3618/3

Amendments to above (if none, write "NONE"): None

Corrections - show date (if none, write "NONE"): None

Topic Rel

3-7-08 SRMully
Date Enrolling Drafter

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2007 SENATE BILL 402

January 18, 2008 - Introduced by Senator MILLER, cosponsored by Representative STONE. Referred to Joint Committee on Finance.

1 **AN ACT relating to:** expenditure of \$228,792.62 from moneys appropriated to the
2 Department of Administration in payment of a claim against the state to
3 indemnify Georgia Thompson, a state of Wisconsin employee.

Analysis by the Legislative Reference Bureau

This bill directs expenditure of \$228,792.62 from moneys appropriated to the Department of Administration (DOA) for provision of procurement services to state agencies in payment of a claim against DOA made by Georgia Thompson, through her attorneys, Hurley, Burish and Stanton, S.C., for costs incurred in defending Ms. Thompson. Ms. Thompson was convicted on June 12, 2006, of the federal crimes of misapplication of funds and theft of honest services (18 U.S.C. 666 and 1341). She was fined \$4,000, ordered to pay a \$200 special assessment and sentenced to 18 months in prison. She began serving her sentence on November 26, 2006, and served until April 5, 2007, when the U.S. Court of Appeals vacated the judgment of conviction and ordered her released. *U.S. v. Thompson*, 484 F.3d 877 (7th Cir., 2007). The charges against Ms. Thompson resulted from her involvement in a decision to award a state contract for travel services. Her involvement in the decision and the decision regarding the award of the state contract occurred within the scope of her employment at DOA. The costs to defend Ms. Thompson total \$228,792.62 and include attorney fees, costs, disbursements, a fine, and a special assessment. On December 4, 2007, the Claims Board recommended payment of this claim to indemnify Ms. Thompson and her attorneys, Hurley, Burish and Stanton, S.C., on the basis of equitable principles. The board determined that the defense costs are

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an obligation of the state and the charges against Ms. Thompson arose from the performance of her duties as a DOA employee. The board further determined that payment of the defense costs furthers the purposes of s. 895.46 (1), Wis. stats., a law under which the state is responsible for payment of most civil and some criminal defense costs incurred by public employees when they are proceeded against because of acts committed within the scope of employment. (The law is not applicable to this case.) The board also recommended that the claim be paid from a program revenue appropriation to DOA derived from all revenue sources for provision of procurement services to state agencies. The payment may increase procurement costs to state agencies from all revenue sources. (See *Senate Journal*, p. 471).

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1. Claim against the state.** The state shall pay Hurley, Burish and
2 Stanton, S.C., of Madison, Wisconsin, \$228,792.62 from the appropriation under
3 section 20.505 (1) (kf) of the statutes, as affected by the laws of 2007, to indemnify
4 Department of Administration employee Georgia Thompson, Madison, Wisconsin,
5 for the costs of defending her in a criminal action that was filed against her for acts
6 performed during the course of and within the scope of her state employment. Ms.
7 Thompson was convicted in federal court in 2006 of misapplication of funds and theft
8 of honest services relating to her duties as a state employee. The U.S. Court of
9 Appeals later reversed the conviction and entered a judgment of acquittal. Ms.
10 Thompson, through her attorneys, made a claim against the state for
11 indemnification of the defense costs including attorney fees, costs, disbursements,
12 a fine, and a special assessment totaling \$228,792.62. Acceptance of this payment
13 releases this state and its officers, employees, and agents from any further liability
14 or indemnity to Hurley, Burish and Stanton, S.C., or to Ms. Thompson resulting from

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1 the arrest, conviction, and subsequent acquittal of Ms. Thompson for acts performed
2 during the scope of her employment in connection with this matter.

3 (END)