



STATE OF WISCONSIN Assembly Journal

Ninety-Ninth Regular Session

WEDNESDAY, March 31, 2010

The Chief Clerk makes the following entries under the above date:

AMENDMENTS OFFERED

Assembly amendment 1 to **Assembly Bill 857** offered by committee on **Energy and Utilities**.

Assembly substitute amendment 1 to **Senate Bill 321** offered by Representative Steinbrink.

ADMINISTRATIVE RULES

Assembly Clearinghouse Rule 10-009

Relating to credit union service organizations.
Submitted by Department of Financial Institutions.
Report received from Agency, March 22, 2010.
To committee on **Financial Institutions**.
Referred on March 31, 2010.

Assembly Clearinghouse Rule 09-087

Relating to penalties for failure to produce records.
Submitted by Department of Revenue.
Report received from Agency, March 17, 2010.
To committee on **Ways and Means**.
Referred on March 31, 2010.

INTRODUCTION AND REFERENCE OF PROPOSALS

Read first time and referred:

Assembly Bill 916

Relating to: deduction of voluntary payments from retirement annuities under the Wisconsin Retirement System.

By Representatives Mason, Pocan, Berceau, Van Akkeren, Jorgensen, Shilling, Sinicki, Danou, Benedict, Hixson, Roys, A. Williams, Kessler, Colon, Hebl, Pope-Roberts, Zigmunt, Molepske Jr., Toles, Parisi and Soletski; cosponsored by Senators Hansen, Coggs, Wirch, Kreitlow, Taylor, Lehman, Holperin, Miller, Erpenbach, Carpenter and Vinehout.

To committee on **Labor**.

Assembly Bill 917

Relating to: elimination of sick leave for legislators, justices and judges, and all other state elected officials.

By Representatives Strachota, Zipperer, Huebsch, Nass, Knodl, Kleefisch, Petersen, Vos, Kerkman, Lothian, Roth and Davis; cosponsored by Senators Kanavas, Darling, Leibham, Grothman, Lazich, Kapanke and Cowles.

To committee on **Assembly Organization**.

COMMITTEE REPORTS

The committee on **Education** reports and recommends:

Assembly Bill 201

Relating to: the date of pupil counts in second semester of school year.

Passage:

Ayes: 12 – Representatives Pope-Roberts, Dexter, Hilgenberg, Sinicki, Hixson, Smith, Krusick, Radcliffe, Davis, Nass, Vukmir and Nygren.

Noes: 0.

To committee on **Rules**.

Assembly Bill 557

Relating to: notification of school closings and reopenings.

Passage:

Ayes: 11 – Representatives Pope-Roberts, Dexter, Hilgenberg, Sinicki, Hixson, Smith, Krusick, Radcliffe, Davis, Vukmir and Nygren.

Noes: 1 – Representative Nass.

To committee on **Rules**.

Assembly Bill 622

Relating to: pupils attending a school district under the Open Enrollment Program who are habitually truant.

Passage:

Ayes: 10 – Representatives Pope-Roberts, Dexter, Hilgenberg, Sinicki, Hixson, Smith, Krusick, Nass, Vukmir and Nygren.

Noes: 2 – Representatives Radcliffe and Davis.

To committee on **Rules**.

Assembly Bill 798

Relating to: accepting pupils under the full-time Open Enrollment Program.

Passage:

Ayes: 12 – Representatives Pope–Roberts, Dexter, Hilgenberg, Sinicki, Hixson, Smith, Krusick, Radcliffe, Davis, Nass, Vukmir and Nygren.

Noes: 0.

To committee on **Rules**.

Assembly Bill 805

Relating to: grants to school districts for efficiency and consolidation feasibility studies, granting rule–making authority, and making an appropriation.

Passage:

Ayes: 8 – Representatives Pope–Roberts, Dexter, Hilgenberg, Sinicki, Hixson, Smith, Krusick and Nygren.

Noes: 4 – Representatives Radcliffe, Davis, Nass and Vukmir.

To joint committee on **Finance**.

Assembly Bill 806

Relating to: the procedure for school district consolidations.

Passage:

Ayes: 8 – Representatives Pope–Roberts, Dexter, Hilgenberg, Sinicki, Hixson, Smith, Krusick and Radcliffe.

Noes: 4 – Representatives Davis, Nass, Vukmir and Nygren.

To committee on **Rules**.

Assembly Bill 807

Relating to: transportation aid to school districts.

Passage:

Ayes: 9 – Representatives Pope–Roberts, Dexter, Hilgenberg, Sinicki, Hixson, Smith, Krusick, Radcliffe and Nygren.

Noes: 3 – Representatives Davis, Nass and Vukmir.

To joint committee on **Finance**.

Assembly Bill 808

Relating to: student achievement guarantee in education program contracts.

Passage:

Ayes: 8 – Representatives Pope–Roberts, Dexter, Hilgenberg, Sinicki, Smith, Krusick, Radcliffe and Nygren.

Noes: 4 – Representatives Hixson, Davis, Nass and Vukmir.

To committee on **Rules**.

Assembly Bill 809

Relating to: transportation of private school pupils.

Assembly Amendment 1 adoption:

Ayes: 9 – Representatives Pope–Roberts, Dexter, Hilgenberg, Sinicki, Radcliffe, Davis, Nass, Vukmir and Nygren.

Noes: 3 – Representatives Hixson, Smith and Krusick.

Passage as amended:

Ayes: 8 – Representatives Pope–Roberts, Dexter, Hilgenberg, Sinicki, Hixson, Smith, Krusick and Radcliffe.

Noes: 4 – Representatives Davis, Nass, Vukmir and Nygren.

To committee on **Rules**.

Senate Bill 250

Relating to: accepting pupils under the full–time Open Enrollment Program.

Concurrence:

Ayes: 12 – Representatives Pope–Roberts, Dexter, Hilgenberg, Sinicki, Hixson, Smith, Krusick, Radcliffe, Davis, Nass, Vukmir and Nygren.

Noes: 0.

To committee on **Rules**.

SONDY POPE–ROBERTS
Chairperson
Committee on Education

The committee on **Forestry** reports and recommends:

Assembly Bill 778

Relating to: weight limitations for vehicles transporting raw forest products.

Assembly Amendment 1 adoption:

Ayes: 5 – Representatives Clark, Sherman, Milroy, Friske and Mursau.

Noes: 0.

Assembly Amendment 2 adoption:

Ayes: 5 – Representatives Clark, Sherman, Milroy, Friske and Mursau.

Noes: 0.

Passage as amended:

Ayes: 5 – Representatives Clark, Sherman, Milroy, Friske and Mursau.

Noes: 0.

To committee on **Rules**.

FRED CLARK
Chairperson
Committee on Forestry

The committee on **Housing** reports and recommends:

Assembly Bill 817

Relating to: employer–assisted housing.

Passage:

Ayes: 6 – Representatives Young, A. Williams, Turner, Pasch, Roth and Murtha.

Noes: 0.

To joint committee on **Finance**.

Assembly Bill 846

Relating to: allowing required condominium disclosures to be made electronically.

Passage:

Ayes: 6 – Representatives Young, A. Williams, Turner, Pasch, Roth and Murtha.
Noes: 0.

To committee on **Rules**.

LEON YOUNG
Chairperson
Committee on Housing

The committee on **Jobs, the Economy and Small Business** reports and recommends:

Assembly Bill 794

Relating to: nonrefundable individual and corporate income and franchise tax credits for purchasing a thermal biomass heating system and fuel for such a system, property tax exemptions for thermal biomass heating systems and facilities used to store fuel for such systems, and a sales and use tax exemption for purchasing a thermal biomass heating system.

Assembly Substitute Amendment 1 adoption:

Ayes: 12 – Representatives Molepske Jr., Bernard Schaber, Fields, Barca, Krusick, Benedict, Toles, Zipperer, Friske, Van Roy, M. Williams and Strachota.
Noes: 0.

Passage as amended:

Ayes: 12 – Representatives Molepske Jr., Bernard Schaber, Fields, Barca, Krusick, Benedict, Toles, Zipperer, Friske, Van Roy, M. Williams and Strachota.
Noes: 0.

To joint committee on **Finance**.

Assembly Bill 843

Relating to: energy conservation standards for the construction of certain buildings, energy and environmental design standards for state buildings, structures, and facilities, energy and environmental design standards for school district facilities and other local government buildings, leasing of state buildings, structures, and facilities, standards for the construction and use of graywater systems, granting rule-making authority, and making an appropriation.

Assembly Amendment 1 adoption:

Ayes: 12 – Representatives Molepske Jr., Bernard Schaber, Fields, Barca, Krusick, Benedict, Toles, Zipperer, Friske, Van Roy, M. Williams and Strachota.
Noes: 0.

Passage as amended:

Ayes: 7 – Representatives Molepske Jr., Bernard Schaber, Fields, Barca, Benedict, Toles and Friske.
Noes: 5 – Representatives Krusick, Zipperer, Van Roy, M. Williams and Strachota.

To joint committee on **Finance**.

Assembly Bill 864

Relating to: authorizing the Department of Commerce to certify for tax benefits a business located in an enterprise zone and having a Wisconsin supply chain.

Assembly Amendment 1 adoption:

Ayes: 12 – Representatives Molepske Jr., Bernard Schaber, Fields, Barca, Krusick, Benedict, Toles, Zipperer, Friske, Van Roy, M. Williams and Strachota.
Noes: 0.

Passage as amended:

Ayes: 11 – Representatives Molepske Jr., Bernard Schaber, Fields, Barca, Benedict, Toles, Zipperer, Friske, Van Roy, M. Williams and Strachota.
Noes: 1 – Representative Krusick.

To joint committee on **Finance**.

Assembly Bill 898

Relating to: trial job program and transitional jobs demonstration project and making an appropriation.

Passage:

Ayes: 11 – Representatives Molepske Jr., Bernard Schaber, Fields, Barca, Benedict, Toles, Zipperer, Friske, Van Roy, M. Williams and Strachota.
Noes: 1 – Representative Krusick.

To joint committee on **Finance**.

LOUIS MOLEPSKE JR
Chairperson
Committee on Jobs, the Economy and Small Business

The committee on **Labor** reports and recommends:

Assembly Bill 706

Relating to: various changes to the worker's compensation law.

Passage:

Ayes: 9 – Representatives Sinicki, Van Akkeren, Jorgensen, Parisi, Toles, Soletski, Honadel, Nass and Knodl.
Noes: 0.

To committee on **Rules**.

CHRISTINE SINICKI
Chairperson
Committee on Labor

The committee on **Urban and Local Affairs** reports and recommends:

Assembly Bill 721

Relating to: public, educational, and governmental access channel requirements for video service providers and interim cable operators.

Passage:

Ayes: 4 – Representatives Berceau, Hintz, Parisi and Spanbauer.

Noes: 3 – Representatives Ziegelbauer, LeMahieu and Gottlieb.

To joint committee on **Finance**.

TERESE BERCEAU
Chairperson
Committee on Urban and Local Affairs

REFERENCE BUREAU CORRECTIONS

Assembly Bill 898

1. Page 9, line 23: delete “SECTION 10” and substitute “SECTION 4”.

SPEAKER’S COMMUNICATIONS

March 31, 2010

Mr. Patrick Fuller
Chief Clerk, Wisconsin State Assembly
Room 401, Risser Justice Center
17 West Main Street
Madison, Wisconsin 53703

Dear Chief Clerk Fuller:

Pursuant to Assembly Rule [42 \(3\)\(c\)](#), I am withdrawing **Assembly Bill 904** from the Assembly Committee on Energy and Utilities and re-referring it to the Joint Committee on Finance.

I have the consent of Representative Jim Soletski, chairperson of the Assembly Committee on Energy and Utilities, to take this action.

Thank you for your immediate attention to this referral.

Sincerely,
MICHAEL J. SHERIDAN
Assembly Speaker

COMMUNICATIONS

March 31, 2010

Patrick Fuller
Assembly Chief Clerk
17 West Main Street, Suite 401
Madison, WI 53703

Dear Chief Clerk Fuller:

Please add my name as a co-author to the following bill:

Assembly Bill 731

Sincerely,

SCOTT SUDER
State Representative
69th Assembly District

REFERRAL OF AGENCY REPORTS

State of Wisconsin
WHA Information Center
Madison

March 29, 2010

To the Honorable, the Legislature:

Enclosed is a hard copy of the Fiscal Year 2008 Guide to Wisconsin Hospitals produced by WHA Information Center pursuant to s. [153.22](#), Wis. Stats. The report was posted on our web site in October 2009. Please feel free to download and print additional copies.

If you have any questions regarding the report you may contact me at 608-274-1820, 800-231-8340 or jkachelski@wha.org.

Sincerely,
JOSEPH KACHELSKI
Vice President
WHA Information Center

Referred to committee on **Health and Healthcare Reform**.

State of Wisconsin
Department of Administration
Madison

March 31, 2010

To the Honorable, the Legislature:

This report is transmitted as required by s. [20.002 \(11\)\(f\)](#), Wisconsin Statutes, (for distribution to the appropriate standing committees under s. [13.172 \(3\)](#), Wisconsin Statutes) and confirms that the Department of Administration has found it necessary to exercise the “temporary reallocation of balances” authority provided by this section in order to meet payment responsibilities and cover resulting negative cash balances during the month of February 2010.

On February 1, 2010, the Injured Patients and Families Compensation Fund cash balance closed at a negative \$8.9 million. This negative balance continued through February 16, 2010, when the fund’s cash balance closed at a positive \$3.7 million. The Injured Patients and Families Compensation Fund cash balance reached its intra-month low of a negative \$9.0 million on February 8, 2010. The negative balance was due to the transfer of \$200 million to the Medical Assistance Trust Fund per [2007 Wisconsin Act 20](#), and the pending liquidation of fund securities necessary to offset this shortfall.

On February 1, 2010, the Utility Public Benefits Fund cash balance closed at a negative \$12.5 million. This negative

balance continued through February 28, 2010, when the fund's cash balance closed at a negative \$14.8 million. The Utility Public Benefits Fund cash balance reached its intra-month low of a negative \$15.2 million on February 24, 2010. The negative balance was due to the difference in the timing of revenues and expenditures.

On February 1, 2010, the Permanent Endowment Fund cash balance closed at a negative \$2.0 million. This negative balance continued through February 28, 2010, when the fund's cash balance closed at a negative \$2.0 million. The negative balance was due to the difference in the timing of revenues and expenditures.

On February 1, 2010, the Medical Assistance Trust Fund cash balance closed at a negative \$52.7 million. This negative balance continued through February 28, 2010, when the fund's cash balance closed at a negative \$232.1 million. The Medical Assistance Trust Fund cash balance reached its intra-month low of a negative \$232.3 million on February 25, 2010. The negative balance was due to the difference in the timing of revenues and expenditures.

On February 1, 2010, the Police and Fire Protection Fund cash balance closed at a negative \$27.8 million (its intra-month low). This negative balance continued through February 28, 2010, when the fund's cash balance closed at a negative \$25.6 million. The negative balance was due to the difference in the timing of revenues and expenditures.

On February 1, 2010, the Conservation Fund cash balance closed at a negative \$13.9 million. This negative balance continued through February 28, 2010, when the fund's cash balance closed at a negative \$28.5 million (its intra-month low). The negative balance was due to the difference in the timing of revenues and expenditures.

The Injured Patients and Families Compensation Fund, Utility Public Benefits Fund, Permanent Endowment Fund, Medical Assistance Trust Fund, Police and Fire Protection Fund, and Conservation Fund shortfalls were not in excess of the statutory interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority, and as a result, the funds requiring the use of the authority will effectively bear the interest cost.

Sincerely,
MICHAEL L. MORGAN
 Secretary

Referred to committee on **Ways and Means** and joint committee on **Finance**.

AGENCY REPORTS

State of Wisconsin
 Legislative Audit Bureau
 Madison

March 30, 2010

To the Honorable, the Assembly:

As required by s. 13.94 (1)(de), Wis. Stats., we have completed a financial audit of the Injured Patients and Families Compensation Fund, which insures health care providers in Wisconsin against medical malpractice claims that exceed the primary malpractice insurance thresholds established in statutes. The Fund is managed by the Office of the Commissioner of Insurance (OCI). We have provided an unqualified auditor's report on the Fund's financial statements for the fiscal years ending June 30, 2009, 2008, and 2007.

The Fund's financial position has declined significantly over the last two years. Its audited financial statements show negative net assets in the amount of -\$109.0 million as of June 30, 2009. In 2007 Wisconsin Act 20, the Legislature directed that \$200.0 million be transferred from the Fund to the Medical Assistance Trust Fund. The Injured Patients and Families Compensation Fund's financial position also has been affected by the recent downturn and instability in the economy and the investment markets. Further, the FY 2008-09 total of \$65.7 million in annual claim payments was the largest since the Fund's inception.

As recommended in past audits, actuarial audits are being completed every three years. However, OCI failed to request an evaluation of the appropriateness of the explicit loss liability risk margin and the investment return assumption as part of its 2008 actuarial audit, as had been recommended in our 2007 financial audit. We again recommend that OCI address these two areas in the next actuarial audit.

The Fund's computerized provider system had required correction by regular manual reviews and adjustments. However, the Fund recently implemented a new system, at a total cost of \$1.4 million. We will evaluate the adequacy of the new system as part of our next audit of the Fund.

We appreciate the courtesy and cooperation extended to us by the staff of OCI and the Fund's contractors. A response from OCI follows the appendices.

Respectfully submitted,
JANICE MUELLER
 State Auditor

State of Wisconsin
 Legislative Audit Bureau
 Madison

March 31, 2010

To the Honorable, the Assembly:

We have completed our annual financial and compliance audit of the State of Wisconsin. This audit satisfies state agencies'

audit requirements under the federal Single Audit Act of 1984, as amended, and federal Office of Management and Budget Circular A-133. It also assists us in meeting audit requirements under s. 13.94, Wis. Stats.

This audit covers \$13.6 billion in federal financial assistance that state agencies administered in fiscal year 2008-09, including approximately \$1.5 billion in assistance received under the American Recovery and Reinvestment Act of 2009. We assessed the propriety of revenues and expenditures and tested internal controls and compliance with laws and regulations for 20 federal programs that were selected for review using risk-based assessment criteria established by the federal government.

Our report contains the auditor's reports on internal control over financial reporting and on compliance with program requirements, and our unqualified audit opinion on the State of Wisconsin Schedule of Expenditures of Federal Awards.

We also discuss the results of our follow-up to prior audit findings. Overall, state agencies have complied with federal grant requirements and have taken steps to address findings included in last year's single audit report. However, we report several new and continuing internal control deficiencies and areas of federal noncompliance. The federal government will contact state agencies to resolve the findings and questioned costs included in our report.

We appreciate the courtesy and cooperation extended to us by state agency staff during our audit. Agencies' comments on individual findings, along with their corrective action plans to address our concerns, are included within the agency narratives.

Respectfully submitted,
JANICE MUELLER
State Auditor