



# STATE OF WISCONSIN

# Assembly Journal

## One-Hundredth Regular Session

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FRIDAY, August 31, 2012

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

State of Wisconsin  
Department of Natural Resources  
Madison

August 15, 2012

### SPEAKER'S COMMUNICATIONS

**DATE:** August 6, 2012  
**TO:** Patrick E. Fuller, Assembly Chief Clerk  
**FROM:** Speaker Jeff Fitzgerald  
**RE:** JCRAR temporary appointment

Assembly Speaker Jeff Fitzgerald appoints Representative Mike Kuglitsch to temporarily replace Representative Dan Meyer on the Joint Committee on Review of Administrative Rules, effective immediately.

### REFERRAL OF AGENCY REPORTS

State of Wisconsin  
Department of Natural Resources  
Madison

August 15, 2012

To the Honorable, the Legislature:

The 2011-2013 State Budget required the Department of Natural Resources to prepare an economic impact analysis for the administrative rules on the following matter: the shoreland zoning administrative rule changes in NR 115, which went into effect on February 1, 2010. The budget required the DNR to submit the economic impact analysis to the Department of Administration, the Governor, and to the Chief Clerks of the Assembly and Senate for distribution to the chairpersons of the appropriate standing committees of the Legislature and to the Co-Chairpersons of the Joint Committee for Review of Administrative Rules. I am attaching the economic impact study for your distribution.

Sincerely,  
*MICHAEL BRUHN*  
Legislative Liaison

Referred to committee on **Natural Resources**.

To the Honorable, the Legislature:

The 2011-2013 State Budget required the Department of Natural Resources to prepare an economic impact analysis for the administrative rules on the following matter: the phosphorus effluent limitation administrative rule changes in NR 102.06 and NR 217, Subchapter III, which went into effect on December 1, 2010. The budget required the DNR to submit the economic impact analysis to the Department of Administration, the Governor, and to the Chief Clerks of the Assembly and Senate for distribution to the chairpersons of the appropriate standing committees of the Legislature and to the Co-Chairpersons of the Joint Committee for Review of Administrative Rules. I am attaching the economic impact study for your distribution.

Sincerely,  
*MICHAEL BRUHN*  
Legislative Liaison

Referred to committee on **Natural Resources**.

State of Wisconsin  
Department of Administration  
Madison

August 15, 2012

To the Honorable, the Legislature:

In compliance with Wisconsin Statute 16.548, attached, please find the Wisconsin Office of Federal/State Relations quarterly report, to be submitted to the Legislature for the second quarter of 2012. This report provides information on the activities of the Office and the status of federal legislation of concern to the State of Wisconsin.

Sincerely,  
*MIKE HUEBSCH*  
Secretary

Referred to committee on **Homeland Security and State Affairs**.

State of Wisconsin  
Department of Health Services  
Madison

August 16, 2012

To the Honorable, the Legislature:

The Department of Health Services is pleased to submit the 2011 Annual Report to the Governor and the Legislature. The report is required by 2003 Wis. Act 33, SB 44, Section 2462, 255.15 (4).

Please contact Vicki Stauffer at 267-3823 if you have any questions or need additional information.

Sincerely,  
*DENNIS G. SMITH*  
Secretary

Referred to committee on **Health**.

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State of Wisconsin  
Department of Administration  
Madison

August 31, 2012

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 July 2012.

On July 1, 2012, the Medical Assistance Trust Fund cash balance closed at a negative \$162.2 million. The cash balance was negative through July 31, 2012, when it closed at a negative \$15.1 million. The Medical Assistance Trust Fund cash balance reached its intra-month low of a negative \$171.0 million on July 10, 2012.

The Medical Assistance Trust Fund shortfall was due to the difference in the timing of revenues and expenditures, was 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,  
*MIKE HUEBSCH*  
Secretary

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

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## AGENCY REPORTS

State of Wisconsin  
Legislative Audit Bureau  
Madison

August 8, 2012

To the Honorable, the Assembly:

We have completed our review of crime victim and witness assistance surcharge revenue, as requested by the Joint Legislative Audit Committee. Statutes require circuit courts to assess a \$92 surcharge for each felony conviction and a \$67 surcharge for each misdemeanor conviction. Circuit courts collect most surcharge revenue, which is deposited into two Department of Justice (DOJ) appropriations that fund two crime victim services programs and a sexual assault victim services grant program.

Questions have been raised regarding the reasons surcharge revenue declined from \$5.9 million in fiscal year (FY) 2008-09 to \$5.7 million in FY 2010-11, despite a \$7 increase in the surcharge that began in FY 2009-10. From FY 2008-09 through FY 2010-11, the number of criminal charges filed that could result in assessed surcharges declined by 13.6 percent, and the number of convictions declined by 12.4 percent. Judges have the discretion to reduce the surcharge, but the available data indicate that they seldom did so in recent years. However, individuals have not made any payments on \$12.7 million in surcharges that were assessed from FY 2006-07 through FY 2010-11.

We found some surcharge revenue was not appropriately deposited into the two DOJ appropriations. As a result, the sexual assault victim services grant program received an estimated \$204,000 less than was statutorily required in recent years, and that amount was instead provided to the two crime victim services programs. Other errors in allocating revenue from surcharges assessed in prior years continue to occur, which will result in the sexual assault victim services grant program receiving an undetermined amount of additional funding in the future. Because these errors are related only to the allocation of surcharge revenue, they do not affect the overall amount of surcharge revenue collected or explain the decline in surcharge revenue.

We appreciate the cooperation extended to us by the state agencies involved with this review, as well as by county clerk of court offices and district attorney offices. DOJ’s response follows the appendix.

Respectfully submitted,  
*JOE CHRISMAN*  
State Auditor

State of Wisconsin  
Legislative Audit Bureau  
Madison

August 30, 2012

To the Honorable, the Assembly:

As required by [2005 Wisconsin Act 125](#), we have reviewed the pupil test score data provided to us by the School Choice Demonstration Project, which is a group of privately funded education researchers who are studying the Milwaukee Parental Choice Program. The Choice program provides publicly funded private school tuition for children in Milwaukee.

Project researchers conducted a five-year longitudinal study of Choice and Milwaukee Public Schools (MPS) pupils first selected in the 2006-07 school year. The representative sample includes 2,727 Choice pupils who were in the third through ninth grades in fall 2006 and a comparable group of 2,727 MPS pupils. The researchers tracked changes in Wisconsin Knowledge and Concepts Examination scores to determine how participation in the Choice program affects academic achievement. Their five-year study has now concluded, and we have fulfilled our responsibilities under [2005 Wisconsin Act 125](#).

We reviewed the project's data for the 2010-11 school year, which is the last year the researchers arranged to receive test scores of Choice pupils who took the Wisconsin Knowledge

and Concepts Examination. Using different methodologies, we and the researchers found separate instances in which the average change in Choice pupils' test scores from the 2006-07 school year to the 2010-11 school year was greater than the average change in MPS pupils' test scores, and the differences in average test score changes were statistically significant. However, these test score results must be interpreted carefully.

To interpret their findings, the researchers reported evidence suggesting that increases in Choice pupils' test scores in the 2010-11 school year resulted, at least in part, from a new testing and reporting requirement, rather than solely from participation in the Choice program. Beginning in the 2010-11 school year, all Choice schools were statutorily required to administer the Wisconsin Knowledge and Concepts Examination to pupils and report the results to the Department of Public Instruction. As a result, we and the researchers believe the extent to which the Choice program affects pupil achievement cannot be definitively determined based on the test score results obtained from the longitudinal study.

We appreciate the courtesy and cooperation extended to us by project researchers as we conducted this review.

Sincerely,  
*JOE CHRISMAN*  
State Auditor