



# STATE OF WISCONSIN

# Assembly Journal

## One-Hundredth Regular Session

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THURSDAY, December 27, 2012

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

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### COMMUNICATIONS

December 14, 2012

Governor Scott Walker  
115 East, State Capitol  
Madison, WI 53702

Dear Governor Walker:

I am writing to you in regards to my successful re-election on November 6, 2012 to the 98th Assembly District. Since then I have successfully won the special election held on December 4, 2012 to fill the vacant 33rd State Senate seat.

Pursuant to Chapter 17 of the Wisconsin State Statutes I am informing you that I am declining the certification of the election results for the 98th Assembly District as I will be sworn in to the State Senate prior to the state legislature's inaugural ceremonies on January 7, 2013.

Sincerely,  
*PAUL FARROW*  
State Senator-Elect  
33rd Senate District

December 14, 2012

Governor Scott Walker  
115 East, State Capitol  
Madison, WI 53702

Dear Governor Walker:

I am writing to you today to inform you that effective at 5:00 P.M. on December 14, 2012 I will be resigning as the Representative of the Assembly for the 98th Assembly District and will be taking the oath of office to become a member of the Wisconsin State Senate at 5:30 P.M.

It has been an honor to serve the constituents of the 98th Assembly District during the 2011-2012 Legislative Session and I look forward to the challenges ahead.

Sincerely,  
*PAUL FARROW*  
State Senator-Elect  
33rd Senate District

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### REFERRAL OF AGENCY REPORTS

State of Wisconsin  
Department of Natural Resources  
Madison

December 7, 2012

To the Honorable, the Legislature:

In fulfillment of the requirements under s. 299.83 (8)(h), Wisconsin State Statutes, I am transmitting the 2012 Green Tier Biennial Progress Report. Please distribute as appropriate. I am also providing a copy of the Report to the Governor and to the Chief Clerk of the Assembly.

Green Tier continues to provide tools and strategies to make Wisconsin the ideal state for growing the green bottom line. Green Tier continues to grow in participants and in the number of business and environmental objectives achieved by each of them. As with the 2010 Biennial Report, this report provides some retrospective analysis and prospective insights. In the 2012 Biennial Report we have provided more information on the economic gain and regulatory flexibility from the program. We hope that this report will stimulate conversations and actions that create even more value for Green Tier participants and more incentives for Green Tier participation.

For more information on the Green Tier and environmental performance programs or additional copies of this report, please contact Mark McDermid at (608) 267-3125, or visit our web site at <http://greentier.wi.gov>. Here is a link to the report: <http://dnr.wi.gov/files/PDF/pubs/co/CO573.pdf>

Sincerely,  
*CATHY STEPP*  
Secretary

Referred to committee on **Natural Resources**.

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State of Wisconsin  
Medical College of Wisconsin  
Milwaukee

December 20, 2012

To the Honorable, the Legislature:

Enclosed please find the medical College of Wisconsin's (MCW) annual report for the Breast and Prostate Cancer

Research Program. This Program is funded through the Wisconsin income tax check-off created by the [2003 Wisconsin Act 176](#) (breast cancer) and the [2005 Wisconsin Act 460](#) (prostate cancer). The law requires that MCW use this money for breast and prostate cancer research and to report annually on the use of funds.

This document reports activities, projects and research funded through the Breast and Prostate Cancer Research Program at MCW for the period of July 1, 2011–June 30, 2012.

If you have any questions or comments regarding this report, please contact me at 414-955-8217.

Sincerely,  
*KATHRYN A. KUHN*  
Vice President, Government and  
Community Relations  
Medical College of Wisconsin

Referred to committee on **Colleges and Universities**.

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State of Wisconsin  
Claims Board  
Madison

December 26, 2012

To the Honorable, the Legislature:

Enclosed is the report of the State Claims Board covering the claims heard on December 12, 2012.

Those claims approved for payment pursuant to the provisions of [§16.007](#) and [775.05](#) Stats., have been paid directly by the Board.

This report is for the information of the Legislature. The Board would appreciate your acceptance and publication of it in the Journal to inform the members of the Legislature.

Sincerely,  
*GREGORY D. MURRAY*  
Secretary

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

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## AGENCY REPORTS

State of Wisconsin  
Legislative Audit Bureau  
Madison

December 14, 2012

To the Honorable, the Assembly:

As requested by the Joint Legislative Audit Committee, we have completed a review of the extent to which state and local governments employ individuals receiving annuities from the Wisconsin Retirement System (WRS). If individuals have good-faith terminations from employment, statutes allow

them to receive annuities and return to work for employers participating in the WRS.

From January 2007 through March 2012, the University of Wisconsin System and state agencies on Central Payroll hired 2,783 annuitants who had terminated employment from 2007 through 2011. Because some of these annuitants were not working in positions eligible to participate in the WRS, not all are considered to be rehired annuitants. Most annuitants we identified were hired by the agencies that had employed them before retirement, worked part-time for less than one year, and were paid an hourly wage that was the same or lower than they had been paid at retirement. However, a small number of annuitants we identified worked for several years or were paid an hourly wage more than they had been paid at retirement.

A total of 1,169 respondents to our survey of all school districts and local governments indicated that they had hired 2,599 annuitants from January 2011 through March 2012. Most annuitants were paid hourly wages less than the wages they had been paid at retirement.

The Department of Employee Trust Funds (ETF) administers the WRS. It may choose to investigate allegations that good-faith terminations from employment may not have occurred. Because statutes provide few restrictions on annuitants who return to work, it is difficult for ETF to determine that good-faith terminations did not occur. We include a recommendation for ETF to develop written procedures for conducting investigations.

We provide several options the Legislature could consider if it chooses to modify statutes governing how annuitants are able to return to work for WRS-participating employers. In addition to these options, the four midwestern states we contacted and the federal government have placed other restrictions on the conditions under which annuitants in their respective retirement systems may be hired.

We appreciate the courtesy and cooperation extended to us by ETF. ETF's response follows the appendix.

Respectfully submitted,  
*JOE CHRISMAN*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

December 18, 2012

To the Honorable, the Assembly:

As directed by [2011 Wisconsin Act 32](#), we have reviewed the University of Wisconsin (UW) System's use of broadband services and its relationship with WiscNet. WiscNet provides internet and other services to UW System institutions and other governmental and educational entities, including approximately three-fourths of Wisconsin's public school districts.

Although WiscNet is a membership-based nonprofit research and education association, its staff are UW System employees

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and its operations are integrated with those of UW System institutions. For example, UW-Madison serves as WiscNet's fiscal agent. WiscNet typically charges less for its services than commercial providers charge for similar services, in part, because WiscNet does not incur all of the costs that commercial providers do. The lack of sufficient written agreements between UW-Madison and WiscNet for the provision of goods and services lead us to question the adequacy of reimbursements.

In order to receive internet service from WiscNet, its members must obtain internet connections from other providers. Most obtain these connections through BadgerNet, a state-supported network operated by a consortium of private telecommunications companies. However, UW System has also developed its own network. In 2010, UW System institutions received \$35.0 million in federal stimulus funds for the construction of networks that will provide internet connections to UW System institutions and other entities.

2011 Wisconsin Act 32 made statutory changes affecting the provision of telecommunications services by UW System institutions and their involvement with WiscNet and the grant-funded networks. Because UW System's future plans for obtaining internet services and its future role in the grant-funded networks have not been finalized, we could not assess its compliance with Act 32 at the present time. Therefore, continued monitoring will be necessary.

We appreciate the courtesy and cooperation extended to us by UW System, WiscNet and its members, the Department of Administration, and commercial telecommunications providers in completing this evaluation. UW System's response follows the appendices.

Respectfully submitted,  
*JOE CHRISMAN*  
 State Auditor

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State of Wisconsin  
 Legislative Audit Bureau  
 Madison

To the Honorable, the Assembly:

We have completed a financial audit of the State of Wisconsin Educational Communications Board (ECB) to meet our audit requirements under s. 13.94, Wis. Stats., and as requested by ECB to fulfill the audit requirements under s. 440.42(3), Wis. Stats., and of the Corporation for Public Broadcasting. The Corporation requires audited financial statements of public broadcasting entities to determine future funding levels. Our audit report contains ECB's financial statements and related notes as of and for the years ended June 30, 2012, and June 30, 2011.

ECB, which is an agency of the State of Wisconsin, operates a television network of 5 digital stations and 3 radio networks consisting of 14 FM stations and 1 AM station. The financial activity of the Wisconsin Public Broadcasting Foundation, Inc., which was organized by ECB for the exclusive purpose of raising funds for its television and radio networks, is included as part of ECB's financial statements. ECB reported a total of \$20.6 million in revenue during fiscal year 2011-12, including state support, member contributions, funding from the Corporation for Public Broadcasting, and various other grants.

We were able to issue an unqualified independent auditor's report on ECB's financial statements and related notes as of and for the years ended June 30, 2012, and June 30, 2011. In our report on internal control and compliance, we note that ECB continues to take steps to improve its financial reporting process. However, given the number of errors we identified in its financial statements and notes, we again report a significant deficiency in its financial reporting process.

We appreciate the courtesy and cooperation extended to us by ECB staff during the audit.

Respectfully submitted,  
*JOE CHRISMAN*  
 State Auditor