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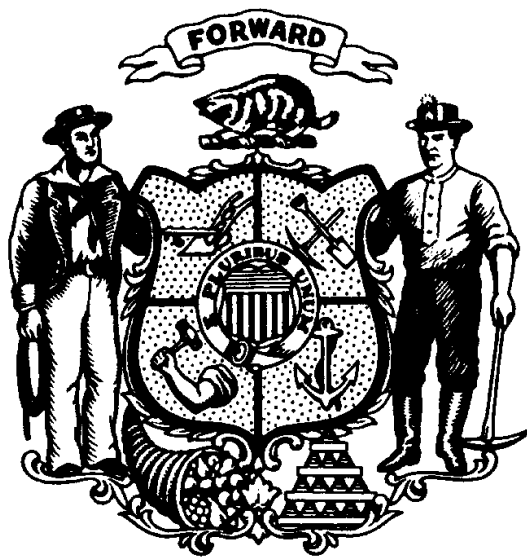
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# *WISCONSIN ADMINISTRATIVE REGISTER*

**No. 528**



Publication Date: December 14, 1999  
Effective Date: December 15, 1999



REVISOR OF STATUTES BUREAU  
SUITE 800, 131 WEST WILSON STREET  
MADISON, WISCONSIN 53703-3233



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## EMERGENCY RULES NOW IN EFFECT

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*Under s. 227.24, Stats., state agencies may promulgate rules without complying with the usual rule-making procedures. Using this special procedure to issue emergency rules, an agency must find that either the preservation of the public peace, health, safety or welfare necessitates its action in bypassing normal rule-making procedures.*

*Emergency rules are published in the official state newspaper, which is currently the Wisconsin State Journal. Emergency rules are in effect for 150 days and can be extended up to an additional 120 days with no single extension to exceed 60 days.*

*Extension of the effective period of an emergency rule is granted at the discretion of the Joint Committee for Review of Administrative Rules under s. 227.24 (2), Stats.*

*Notice of all emergency rules which are in effect must be printed in the Wisconsin Administrative Register. This notice will contain a brief description of the emergency rule, the agency finding of emergency, date of publication, the effective and expiration dates, any extension of the effective period of the emergency rule and information regarding public hearings on the emergency rule.*

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### EMERGENCY RULES NOW IN EFFECT (2)

#### *Agriculture, Trade & Consumer Protection*

1. Rules were adopted amending s. ATCP 60.19 (3) and (4), relating to drug residues in raw milk.

#### **Finding of Emergency**

The state of Wisconsin department of agriculture, trade and consumer protection (DATCP) finds that an emergency exists and that the following emergency rule is necessary to protect public health, safety and welfare. The facts constituting the emergency are as follows:

(1) Milk from Wisconsin dairy farms may not contain drug residues. Current rules under ch. ATCP 60, Wis. Adm. Code, require every dairy plant operator to perform a drug residue screening test on every bulk load of raw milk received by that operator. If the bulk load tests positive for any drug residue, the operator must test a milk sample from each producer milk shipment included in that bulk load. Current rules do not require a dairy plant operator to perform a confirmatory test if a producer sample tests positive on an initial test.

(2) If a producer sample tests positive for drug residue, the dairy plant operator may hold that producer financially responsible for contaminating the bulk load. In some cases, the cost of a contaminated tanker load of milk may be \$5,000 or more. The department may also take enforcement action against the milk producer. Enforcement may result in financial penalties or suspension of the milk producer's license.

(3) In several enforcement actions, producers have argued that dairy plant drug residue tests were inaccurate. Producers claimed that there was no confirmatory testing, and no opportunity to confirm the accuracy of the dairy plant operator's test findings. Inaccurate findings may unfairly penalize affected producers, and result in severe financial losses to those producers. The lack of a confirmatory test aggravates conflicts between dairy plant operators and milk producers.

(4) Confirmatory testing of test-positive producer samples would provide greater assurance of fairness for milk producers, and would help avoid conflicts between dairy plant operators and producers. Dairy plant operators can perform confirmatory tests at reasonable cost. An emergency rule requiring confirmatory testing of producer samples is necessary to protect milk producers, and to promote the efficient operation and economic well-being of Wisconsin's dairy industry.

(5) Confirmatory testing of test-positive producer samples will enhance, and not reduce, the safety of Wisconsin milk supplies. Dairy plant operators will still be required to test bulk tanker loads of milk, and dispose of tanker loads that test positive for drug residues.

(6) This emergency rule will strengthen public health protection by requiring dairy plant operators to dispose of contaminated loads, or denature contaminated loads before transferring them to the custody of another person. Denaturing ensures that persons receiving custody of contaminated loads will not redirect them to human food use.

(7) Pending the adoption of rules according to normal administrative rulemaking procedures, it is necessary to adopt this emergency rule to do both of the following:

(a) Protect the public milk supply against drug residue contamination by assuring proper disposal of contaminated milk.

(b) Provide additional assurance that milk producers will not be subjected to serious penalties or financial losses based on inaccurate drug residue tests.

**Publication Date:** April 30, 1999  
**Effective Date:** April 30, 1999  
**Expiration Date:** September 27, 1999  
**Hearing Date:** June 18, 1999  
**Extension Through:** January 24, 2000

2. Rules adopted revising s. ATCP 100.45, relating to security of dairy plant payments to milk producers.

#### **Finding of Emergency**

(1) Section 100.06, Stats., is designed to provide "reasonable assurance" that dairy farmers will be paid for the milk they produce. Under ss. 97.20(2)(d)2. and 100.06, Stats., a dairy plant must, as a condition to licensing, comply with applicable security requirements under s. 100.06, Stats., and department rules under ch. ATCP 100, Wis. Adm. Code. Since dairy plant licenses expire on April 30 annually, dairy plants must comply with applicable security requirements in order to qualify for license renewal on May 1 of each year.

(2) Under s. 100.06, Stats., and ch. ATCP 100, a dairy plant operator who purchases milk from producers must do one of the following:

(a) File with the department of agriculture, trade and consumer protection ("department") audited financial statements which show that the operator meets minimum financial standards established by s. 100.06, Stats.

(b) File security with the department in an amount equal to at least 75% of the operator's "maximum liability to producers," as calculated under s. ATCP 100.45(5).

(c) Enter into a dairy plant trusteeship under ch. ATCP 100, Subch. V.

(3) Under s. ATCP 100.45(5), a dairy plant operator's "maximum liability to producers" is based on the plant operator's largest monthly purchase of milk during the *preceding* license year. Milk prices hit all time record highs in 1998, dramatically increasing

monthly dairy plant payrolls. Security requirements for the 1999 license year are currently based on these inflated 1998 monthly payrolls, even though 1999 monthly payrolls have dropped dramatically in response to price changes.

(4) Since December 1998, the average market price for raw milk has fallen by approximately 40%. Dairy economists expect BFP average prices to remain at least 12% to 16.2% below last year's average during 1999. Because of the dramatic decline in milk prices, dairy plants have smaller producer payroll obligations than they had in 1998.

(5) Prices received by Wisconsin dairy plants for processed dairy products have also fallen dramatically since December. This has created serious financial hardships for some dairy plants.

(6) Current security requirements, based on 1998 producer prices and payrolls, are excessive in relation to current payroll obligations and impose an added financial burden on dairy plants. Current security requirements under s. ATCP 100.45(5), based on last year's prices, are at least 31 to 48% higher than they would be if calculated at current prices.

(7) Because of the dramatic decline in dairy prices, some dairy plant operators are required to file large amounts of additional security, often amounting to millions of dollars. This is a major expense for affected operators. Operators may find it difficult, financially, to obtain and file the required security. If a dairy plant is unable to file the required security in connection with the May 1, 1999 license renewal, the department will be forced to take action against the dairy plant's license. This could result in the forced closing of some unsecured dairy plants. The forced closing of an unsecured plant may, in turn, result in serious financial losses to producer patrons.

(8) By requiring excessive security based on last year's prices, current rules are making it unnecessarily difficult and expensive for dairy plants to obtain and file security. This could contribute to the financial failure of some dairy plants, or to the forced closing of some unsecured plants. Dairy plant financial failures or closings, if they occur, may cause serious and widespread financial injury to milk producers in this state. This constitutes a serious and imminent threat to the public welfare.

(9) In order to reduce the risk of dairy plant financial failures or forced closings, rule amendments are urgently needed to adjust dairy plant security requirements to appropriate levels based on current milk prices. The rule amendments will relieve financially stressed dairy plants from unnecessary financial burdens and will make it easier for those dairy plants to file security with the department. That, in turn, will reduce the risk of dairy plant financial failures, or the forced closing of unsecured plants, which may adversely affect milk producers.

(10) Rule amendments, to be effective, must be promulgated prior to the dairy plant license year beginning May 1, 1999. That is not possible under normal rulemaking procedures. Therefore, the following emergency rule is needed to protect the public welfare.

(11) Should milk prices rise beyond the levels currently anticipated for the license year beginning May 1, 1999, so that security filed under this emergency rule is less than 75% of a dairy plant operator's current monthly producer payroll, the operator is required to notify the department of that fact under s. 100.06, Stats., and s. ATCP 100.20(3). The department may demand additional security at that time.

**Publication Date:** April 20, 1999  
**Effective Date:** May 1, 1999  
**Expiration Date:** September 28, 1999  
**Hearing Date:** May 18, 1999  
**Extension Through:** January 25, 2000

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## EMERGENCY RULES NOW IN EFFECT

### Commerce

#### (PECFA – Chs. Comm 46–47)

Rules adopted creating **ch. Comm 46**, relating to “Petroleum Environmental Cleanup Fund Interagency Responsibilities,” and relating to sites contaminated with petroleum products from petroleum storage tanks

### Exemption From Finding of Emergency

On September 22, 1999, the Joint Committee for Review of Administrative Rules adopted a motion pursuant to s. 227.26 (2) (b), Stats., that directs the Departments Commerce and Natural Resources to promulgate as an emergency rule, no later than October 22, 1999, the policies and interpretations under which they intend to administer and implement the shared elements of the petroleum environmental cleanup fund program.

In administering the fund, the Departments had previously relied upon a Memorandum of Understanding for classifying contaminated sites and addressing other statements of policy that affect the two Departments. The rule that is being promulgated details the policies and interpretations under which the agencies intend to administer and guide the remedial decision making for sites with petroleum product contamination from petroleum product storage tank systems.

The rule defines “high priority site,” “medium priority site,” and “low priority site,” and provides that the Department of Natural Resources has authority for high priority sites and that the Department of Commerce has authority for low and medium priority sites. The rule requires transfer of authority for sites with petroleum contamination in the groundwater below the enforcement standard in ch. NR 140 from the Department of Natural Resources to the Department of Commerce. The rule also establishes procedures for transferring sites from one agency to the other when information relevant to the site classification becomes available.

**Publication Date:** October 20, 1999  
**Effective Date:** October 20, 1999  
**Expiration Date:** March 18, 2000  
**Hearing Date:** November 18, 1999

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## EMERGENCY RULES NOW IN EFFECT

### Commerce

#### (Financial Resources for Communities, Chs. Comm 105 to 128)

Rules adopted creating **ch. Comm 111**, relating to certified capital companies.

### Finding of Emergency

The Department of Commerce finds that an emergency exists and that the adoption of the rule is necessary for the immediate preservation of public health, safety and welfare.

### Analysis of Rules

Statutory Authority: ss. 560.31, 560.34 (1m) (b), and 227.24  
 Statutes Interpreted: ss. 560.31, 560.34 (1m) (b), and 227.24

On June 17, 1999, the Department of Commerce (Commerce) held a public hearing on proposed rules in response to 1997 Wis. Act 215. That act provides tax credits to persons that make certain investments in certified capital companies that are certified by



Commerce. Legislators and persons interested in the rules testified at the hearing and requested that Commerce adopt an emergency rule that would (1) allow persons to apply for certification to become certified as capital companies, (2) allow persons to apply to make a certified capital investment in a certified capital company, and (3) set forth the operational and reporting requirements of certified capital companies required under the law. Since then, articles in the newspaper as well as business journals have pointed out the lack of venture capital in the state hinders high–tech growth and making that capital available will benefit Wisconsin as it has done in other states. This emergency rule is necessary to begin implementation of the law and to place Wisconsin in a better position to make capital available to draw high–tech industries, create new businesses, and expand existing businesses that will ultimately create new jobs and benefit all its citizens.

**Publication Date:** July 23, 1999  
**Effective Date:** July 23, 1999  
**Expiration Date:** December, 19, 1999  
**Hearing Date:** August 17, 1999  
**Extension Through:** February 16, 2000

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## EMERGENCY RULES NOW IN EFFECT

### *Crime Victims Rights Board*

Rules adopted creating **ch. CVRB 1**, relating to the rights of crime victims.

### Finding of Emergency

The Crime Victims Rights Board finds that an emergency exists and that rules are necessary for the immediate preservation of the public peace, health, safety or welfare. A statement of the facts constituting the emergency is:

The Crime Victims Rights Board was created by 1997 Wis. Act 181, effective December 1, 1998, to enforce victims' rights established by Wis. Const. Art. I, s. 9m, adopted in 1993. The Wisconsin Constitution states that the Legislature shall provide remedies for the violation of victims' constitutional rights. The Board's process represents the only means of enforcing the remedies available to victims of crime who are not provided with the rights guaranteed to them by the Wisconsin Constitution and the Wisconsin statutes. The Board can issue reprimands to correct violations of victims' rights, seek forfeitures in egregious cases, and seek equitable relief to enforce victims' rights. The Board can also work to prevent future violations of victims' rights by issuing reports and recommendations on crime victims' rights and services.

Complaints must be presented to the Department of Justice before they can be presented to the Board. The Department estimates that it receives 200 complaints annually involving the treatment of crime victims. The Department has no authority to enforce victims' rights; the Department can only seek to mediate disputes. Of those complaints, approximately 25 per year cannot be resolved to the parties' satisfaction, and are therefore ripe for the Board's consideration. There are presently 5 complaints that could be referred to the Board if the Board were able to receive and act on complaints.

Until the Board establishes its complaint process by administrative rule, it is unable to provide the remedies constitutionally guaranteed to crime victims.

**Publication Date:** September 17, 1999  
**Effective Date:** September 17, 1999  
**Expiration Date:** February 14, 1999  
**Hearing Date:** November 9, 1999

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## EMERGENCY RULES NOW IN EFFECT

### *Professional Geologists, Hydrologists and Soil Scientists*

Rules adopted creating **chs. GHSS 1 to 5**, relating to the registration and regulation of professional geologists, hydrologists and soil scientists.

### Exemption From Finding of Emergency

The Examining Board of Geologists, Hydrologists and Soil Scientists finds that an emergency exists and that the attached rule is necessary for the immediate preservation of the public peace, safety or welfare. A statement of the facts constituting the emergency is:

Section 64 of 1997 Wis. Act 300 states that the board is not required to make a finding of emergency. However, the board offers the following information relating to the promulgation of these rules as emergency rules. The new regulation of professional geologists, hydrologists and soil scientists was created in 1997 Wis. Act 300. The Act was published on June 30, 1998; however the Act created an effective date for the new regulation as being the first day of the 6th month beginning after the effective date of this subsection.

**Publication Date:** May 15, 1999  
**Effective Date:** May 15, 1999  
**Expiration Date:** October 12, 1999  
**Hearing Date:** June 23, 1999  
**Extension Through:** February 8, 2000

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## EMERGENCY RULES NOW IN EFFECT

### *Health & Family Services*

#### **(Management, Technology, etc., Chs. HFS 1–)**

A rule was adopted revising **chapter HFS 12, Appendix A**, relating to caregiver background checks.

### Finding of Emergency

The Department of Health and Family Services finds that an emergency exists and that the rules are necessary for the immediate preservation of the public peace, health, safety or welfare. The facts constituting the emergency are as follows:

Since October 1, 1998, the Department has been implementing statutes that became effective on that date that require use of uniform procedures to check the backgrounds of persons who apply to the Department, to a county social services or human services department that licenses foster homes for children and carries out adoption home studies, to a private child–placing agency that does the same or to a school board that contracts for day care programs, to provide care or treatment to persons who need that care or treatment, or who apply to a regulated entity to be hired or contracted with to provide services to the entity's clients or who propose to reside as a non–client at the entity. The statutes, ss. 48.685 and 50.065, Stats., direct the regulatory agencies and regulated entities to bar persons, temporarily or permanently, depending on the conviction, finding or charge, who have in their backgrounds a specified conviction, finding or charge substantially related to the care of clients, from operating a service provider organization, providing care or treatment to persons who need that care or treatment or otherwise having contact with the clients of a service provider.

The new statutes, commonly referred to as the Caregiver Law, were effective on October 1, 1998, for applicants on or after that date for licensure, certification or other agency approval, and for persons

applying to be hired by or to enter into a contract with a regulated entity on or after that date to provide services to clients or to take up residence as a non-client at a regulated entity.

For regulated agencies approved before October 1, 1998, and for persons employed by, under contract to or residing as non-clients at regulated entities before October 1, 1998, the Caregiver Law's required uniform procedures and "bars" are to apply beginning on October 1, 1999. That is to say, by October 1, 1999, background checks, using the uniform procedures, are to be completed for all service providers who were approved before October 1, 1998, and for all employees, contractors and non-client residents employed by, under contract to or living at a regulated entity before October 1, 1998, and action taken to withdraw approval, terminate employment or end a contract, as appropriate.

To implement the new Caregiver Law, the Department on October 1, 1998, published administrative rules, ch. HFS 12, Wis. Adm. Code, by emergency order. Chapter HFS 12 included an appendix which consisted of a list of crimes. The original list specified 159 crimes for conviction of any one of which a person would be barred permanently (45 crimes), all programs, or would be barred temporarily, all programs, pending demonstration of rehabilitation, from being approved to be a service provider or from providing care or treatment to clients or otherwise having access to clients. The October 1998 emergency rules were modified in December 1998 and February 1999 by emergency order, and were replaced by permanent rules effective July 1, 1999. The Crimes List in the current permanent rules specifies 117 crimes with 9 being permanent bar crimes for all programs.

This order again modifies ch. HFS 12, but only the Crimes List and not the text of the chapter. The number of specified crimes is reduced to 79, with 6 of them, all taken from ss. 48.685 and 50.065, Stats., being permanent bar crimes for all programs. The change to the ch. HFS 12 Crimes List is being made at this time because the 1999-2001 Budget Bill, now before the Legislature but not likely to take effect before October 1, 1999, is expected to provide for a more modest Crimes List than the one now appended to ch. HFS 12. This means that the Legislature intends that some persons who under the current rules would lose their jobs effective October 1, 1999, will be able to keep their jobs. The Department has the authority to further modify the Crimes List so that it corresponds to how the Legislature, after having heard arguments since October 1998 about how the Caregiver Law should be amended and implemented, wants it to work. This is what the Department is doing through this order.

**Publication Date:** September 16, 1999  
**Effective Date:** September 16, 1999  
**Expiration Date:** February 13, 2000  
**Hearing Date:** October 28, 1999

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## EMERGENCY RULES NOW IN EFFECT

### *Health & Family Services* **(Community Services, Chs. HFS 30-)**

Rules adopted revising **ch. HFS 50**, relating to adoption assistance programs.

#### **Finding of Emergency**

The Department of Health and Family Services finds that an emergency exists and that rules are necessary for the immediate preservation of the public peace, health, safety or welfare. The facts constituting the emergency are as follows:

This rulemaking order amends ch. HFS 50, the Department's rules for facilitating the adoption of children with special needs, to implement changes to the adoption assistance program statute, s. 48.975, Stats., made by 1997 Wisconsin Act 308. Those changes include permitting a written agreement for adoption assistance to be

made following an adoption, but only in "extenuating circumstances;" permitting the amendment of an adoption assistance agreement for up to one year to increase the amount of adoption assistance for maintenance when there is a "substantial change in circumstances;" and requiring the Department to annually review the circumstances of the child when the original agreement has been amended because of a substantial change in circumstances, with the object of amending the agreement again to either continue the increase or to decrease the amount of adoption assistance if the substantial change in circumstances no longer exists. The monthly adoption assistance payment cannot be less than the amount in the original agreement, unless agreed to by all parties.

The amended rules are being published by emergency order so that adoption assistance or the higher adoption assistance payments, to which adoptive parents are entitled because of "extenuating circumstances" or a "substantial change in circumstances" under the statutory changes that were effective on January 1, 1999, may be made available to them at this time, now that the rules have been developed, rather than 7 to 9 months later which is how long the promulgation process takes for permanent rules. Act 308 directs the Department to promulgate rules that, among other things, define extenuating circumstances, a child with special needs and substantial change in circumstances.

**Publication Date:** November 16, 1999  
**Effective Date:** November 16, 1999  
**Expiration Date:** April 13, 2000

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## EMERGENCY RULES NOW IN EFFECT (2)

### *Health & Family Services* **(Medical Assistance, Chs. HFS 101-108)**

1. Rules were adopted revising **chs. HFS 101 to 103, and 108**, relating to operation of BadgerCare health insurance program.

#### **Finding of Emergency**

The Department of Health and Family Services finds that an emergency exists and that the rules are necessary for the immediate preservation of the public peace, health, safety or welfare. The facts constituting the emergency are as follows:

This order creates rules that specify how a new program called BadgerCare, established under s. 49.665, Stats., will work. Under BadgerCare, families with incomes up to 185% of the federal poverty level, but not low enough to be eligible for regular Medical Assistance (MA) coverage of their health care costs, and that lack access to group health insurance, are eligible to have BadgerCare pay for their health care costs. The order incorporates the rules for operation of BadgerCare into chs. HFS 101 to 103 and 108, four of the Department's chapters of rules for operation of the MA program.

BadgerCare is projected to cover over 40,000 currently uninsured Wisconsin residents, including more than 23,000 children, by the end of 1999.

Benefits under BadgerCare will be identical to the comprehensive package of benefits provided by Medical Assistance. The existing Wisconsin Medicaid HMO managed care system, including mechanisms for assuring the quality of services, improving health outcomes and settling grievances, will be used also for BadgerCare.

Department rules for the operation of BadgerCare must be in effect before BadgerCare may begin. The program statute, s. 49.665, Stats., was effective on October 14, 1997. It directed the Department to request a federal waiver of certain requirements of the federal Medicaid Program to permit the Department to implement BadgerCare not later than July 1, 1998, or the effective date of the waiver, whichever date was later. The federal waiver letter approving BadgerCare was received on January 22, 1999. It

specified that BadgerCare was not to be implemented prior to July 1, 1999. Once the letter was received, the Department began developing the rules. They are now ready. The Department is publishing the rules by emergency order so that they will go into effect on July 1, 1999, rather than at least 9 months later, which is about how long the process of making permanent rules takes, and thereby provide already authorized health care coverage as quickly as possible to families currently not covered by health insurance and unable to pay for needed health care.

The rules created and amended by this order modify the current Medical Assistance rules to accommodate BadgerCare and in the process provide more specificity than s. 49.665, Stats., about the nonfinancial and financial conditions of eligibility for BadgerCare; state who is included in a BadgerCare group and whose income is taken into consideration when determining the eligibility of a BadgerCare group; expand on statutory conditions for continuing to be eligible for BadgerCare; exempt a BadgerCare group with monthly income at or below 150% of the federal poverty level from being obliged to contribute toward the cost of the health care coverage; and set forth how the Department, as an alternative to providing Medical Assistance coverage, will go about purchasing family coverage offered by the employer of a member of a family eligible for BadgerCare if the Department determines that purchasing that coverage would not cost more than providing Medical Assistance coverage.

**Publication Date:** July 1, 1999  
**Effective Date:** July 1, 1999  
**Expiration Date:** November 28, 1999  
**Hearing Dates:** August 26, 27, 30 & 31, 1999  
**Extension Through:** January 26, 2000

2. Rule adopted amending s. HFS 105.39 (4) (b) 3., relating to certification of specialized medical vehicle providers.

### Finding of Emergency

The Department of Health and Family Services finds that an emergency exists and that the adoption of the rules included in this order is necessary for the immediate preservation of the public peace, health, safety or welfare. The facts constituting the emergency are as follows:

The Department's rules for certification of specialized motor vehicle (SMV) providers under the Medical Assistance (MA) program include requirements for SMV drivers. Among current requirements is that each driver must receive training in first aid and cardiopulmonary resuscitation (CPR) before driving a vehicle or serving as an attendant and must receive refresher training in first aid every 2 years and refresher training in CPR annually. The specific requirements for refresher training date from December 1, 1994. When revising its rules for SMV providers earlier in 1994 the Department proposed to require refresher training every 2 years for both first aid and CPR, but at the public hearings on the proposed rules 5 SMV providers said the CPR refresher training should take place annually and the Department agreed and made that its requirement.

Although the American Red Cross CPR training and certification that the person is trained continue to be annual, the equivalent American Heart Association CPR training and certification (the American Heart Association prefers "recognition" to "certification") is now every 2 years. This means that to comply with the Department's current MA rule for SMV drivers, s. HFS 105.39 (4) (b) 3., drivers who receive their training from the American Heart Association must repeat the training each year. That is unnecessary for maintenance of American Heart Association certification (recognition) and the time and expense involved is a burden on SMV providers and drivers. The Department is modifying the rule through this order to simply require that drivers maintain CPR certification.

The Department through this order is also changing the requirement for refresher training in first aid from every 2 years to at least every 3 years. That is because the American Red Cross

certification in first aid is now for 3 years. A requirement for more frequent refresher training in first aid is a burden in time and expense involved for SMV providers and drivers.

**Publication Date:** July 3, 1999  
**Effective Date:** July 3, 1999  
**Expiration Date:** November 30, 1999  
**Hearing Date:** September 1, 1999  
**Extension Through:** January 1, 2000

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## EMERGENCY RULES NOW IN EFFECT (2)

### Health and Family Services (Health, Chs. HSS/HFS 110–)

1. Rules were adopted revising ch. HFS 119, relating to the Health Insurance Risk–Sharing Plan.

### Exemption From Finding of Emergency

Section 149.143 (4), Stats., permits the Department to promulgate rules required under s. 149.143(2) and (3), Stats. by using emergency rulemaking procedures, except that the Department is specifically exempted from the requirement under s. 227.24(1) and (3), Stats., that it make a finding of emergency. These are the rules. Department staff consulted with the HIRSP Board of Governors on April 30, 1999 on the proposed rules, as required by s. 149.20, Stats.

### Analysis Prepared by the Department of Health and Family Services

The State of Wisconsin in 1981 established a Health Insurance Risk–Sharing Plan (HIRSP) for the purpose of making health insurance coverage available to medically uninsured residents of the state. One type of coverage provided by HIRSP is supplemental coverage for persons eligible for Medicare. This coverage is called Plan 2. Medicare (Plan 2) has a \$500 deductible. Approximately 17% of the 7,291 HIRSP policies in effect on March 31, 1999 were of the Plan 2 type.

The Department through this rulemaking order is amending ch. HFS 119 in order to update HIRSP Plan 2 premium rates in accordance with the authority and requirements set out in s. 149.143 (2) (a) 2., Stats. The Department is required to set premium rates by rule. These rates must be calculated in accordance with generally accepted actuarial principles. Policyholders are to pay 60% of the costs of HIRSP.

There are separate sets of tables in ch. HFS 119 that show unsubsidized and subsidized Plan 2 premium rates. Both sets of tables are amended by this order to increase the premium rates because Plan 2 costs, which historically have been running about 50% less than Plan 1 costs, began to increase several years ago and now are running at about 67% of Plan 1 costs. The Plan 2 premium rates need to be increased to cover increased costs of treatment for individuals enrolled under Plan 2. The order increases these premium rates by about 18%.

In January 1999, the Department published an emergency rule order to increase HIRSP unsubsidized Plan 2 premium rates by about 10%, with the intention of increasing those rates again in July 1999 to the level provided for in this order. However, in May 1999 the Legislature's Joint Committee for the Review of Administrative Rules (JCRAR) refused to extend the effective period of that part of the January 1999 emergency rule order relating to premium rate increases, with the result that effective May 31, 1999, the rates reverted back to the rates in effect before January 1, 1999. Consequently, to increase rates effective July 1, 1999, the Department through this rulemaking order has based the increased rates on the rates in effect prior to January 1, 1999.

The Department through this order is also adjusting the total HIRSP insurer assessments and provider payment rates in

accordance with the authority and requirements set out in s. 149.143 (2)(a)3. and 4., Stats. With the approval of the HIRSP Board of Governors and as required by statute, the Department reconciled total costs for the HIRSP program for calendar year 1998. The Board of Governors approved a reconciliation methodology that reconciles the most recent calendar year actual HIRSP program costs, policyholder premiums, insurance assessments and health care provider contributions collected with the statutorily required funding formula. By statute, the adjustments for the calendar year are to be applied to the next plan year budget beginning July 1, 1999.

The result of this reconciliation process for calendar year 1998 indicated that insurance assessments collected were greater than the 20% of costs (net of the GPR contribution from appropriation s. 20.435(5)(af), Stats.), required of insurers. Also, the calendar year 1998 reconciliation process showed that an insufficient amount was collected from health care providers. As a result of this reconciliation, the insurer assessments for the time periods July 1, 1999 through December 31, 1999 and January 1, 2000 through June 30, 2000, are reduced to offset the overpayment in 1998. The total adjustments to the provider payment rates for the same time periods are sharply increased in order to recoup the provider contribution that was not collected in calendar year 1998. The budget for the plan year ending June 30, 2000 and the calendar year 1998 reconciliation process were approved by the HIRSP Board of Governors in April 1999.

**Publication Date:** June 30, 1999  
**Effective Date:** July 1, 1999  
**Expiration Date:** November 28, 1999  
**Hearing Date:** September 9, 1999  
**Extension Through:** January 26, 2000

- Rules adopted creating s. HSS 122.10, relating to distribution of 3 closed nursing home beds to a nursing home that serves only veterans.

### Finding of Emergency

The Department of Health and Family Services finds that an emergency exists and that the adoption of the rules is necessary for the immediate preservation of the public peace, health, safety or welfare. The facts constituting the emergency are as follows:

These rules are for the one-time distribution of 3 closed nursing home beds to a nursing home or nursing homes that serve only veterans. Following distribution of the 3 beds, the rules will be allowed to lapse.

Section 150.31, Stats., establishes a statewide bed limit for nursing homes as one means of controlling nursing home costs and Medical Assistance program expenditures. Within that bed limit a facility may close or its bed capacity may be reduced, in which case beds are freed up and may be redistributed by the Department under s. HSS 122.05(1)(c).

The Wisconsin Veterans Home at King has 4 separately licensed nursing home buildings on its grounds, and a total licensed capacity of 718 beds. It is operating at 99.9 percent of capacity with a long waiting list for admission. Managers of the Wisconsin Veterans Home have decided to close their underutilized 3 bed hospital operation at King. The 3 hospital beds are currently located in Stordock Hall. The 3 nursing home beds will replace the hospital beds. Because of the burgeoning population of older veterans, whose active service was during World War II, the Korean War, and the Vietnam War, and the immediate pressure on admissions to the facility, and the desirability of having flexibility when moving residents, Wisconsin Veterans Home managers have asked that the space previously used for hospital beds be converted to nursing home space and that 3 closed nursing home beds be transferred to the Veterans Home. These beds could be put on line immediately and provide some relief to those awaiting admission.

This rulemaking order establishes a process for considering applications for 3 closed nursing home beds to be made available to a nursing home or nursing homes that serve only veterans, that ask

for no more than 3 beds and that do not require space to be added to the building in which the beds will be located to accommodate those beds.

**Publication Date:** August 3, 1999  
**Effective Date:** August 3, 1999  
**Expiration Date:** December 31, 1999

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## EMERGENCY RULES NOW IN EFFECT

### Higher Educational Aids Board

Rules adopted amending s. HEA 11.03 (3) and creating s. HEA 11.03 (5), relating to the Minority Teacher Loan Program.

### Finding of Emergency

The 1989 Wis. Act 31 created s. 39.40, Stats., which provides for loans to minority students enrolled in programs of study leading to licensure as a teacher. The Wisconsin Higher Educational Aids Board (HEAB) administers this loan program under s. 39.40 and under ch. HEA 11. Current rules require that a student be enrolled full time and show financial need to be considered for participation in the Minority Teacher Loan Program. Students who did not enroll full time and did not show financial need were allowed to participate in the program in the past when part of the program was administered by another administrative body. These students are enrolled in teacher education programs that train teachers specifically for the school districts named in the statutes that outline the intent of the Minority Teacher Loan Program. Unless the Board changes its rules, many participating students will lose their eligibility in the program. This will cause a hardship to those students who relied on the interpretation of the prior system administration. Revising the rules would allow students who participated in the program in the past to continue to participate. The proposed revision will not affect expenditures of State funds for the Minority Teacher Loan Program.

**Publication Date:** August 6, 1999  
**Effective Date:** August 6, 1999  
**Expiration Date:** January 3, 2000  
**Hearing Date:** October 28, 1999  
**Extension Through:** March 2, 2000

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## EMERGENCY RULES NOW IN EFFECT

### Natural Resources

(Fish, Game, etc., Chs. NR 1-)

Rules adopted revising ch. NR 10, relating to the 1999 migratory game bird season.

### Finding of Emergency

The emergency rule procedure, pursuant to s. 227.24, Stats., is necessary and justified in establishing rules to protect the public welfare. The federal government and state legislature have delegated to the appropriate agencies rule-making authority to control the hunting of migratory birds. The State of Wisconsin must comply with federal regulation in the establishment of migratory bird hunting seasons and conditions. General regulations are not made available to this state until mid-August of each year. This order is designed to bring the state hunting regulations into conformity with federal regulations. Normal rule-making procedures will not allow the establishment of these changes by September 1. Failure to modify our rules will result in the failure to

provide hunting opportunity and continuation of rules which conflict with federal regulations.

**Publication Date:** September 10, 1999  
**Effective Date:** September 10, 1999  
**Expiration Date:** February 7, 2000  
**Hearing Date:** October 14, 1999

## EMERGENCY RULES NOW IN EFFECT (2)

### *Natural Resources*

#### (Environmental Protection–Water Regulation, Chs. NR 300–)

1. Rules adopted creating **ch. NR 303**, relating to department determinations of navigability for farm drainage ditches.

#### Exemption From Finding of Emergency

The Department was directed by the JCRAR under s. 227.26 (2) (b), Stats., to promulgate emergency rules regarding navigability

#### Analysis Prepared by the Department of Natural Resources

Statutory authority: s. 227.26 (2)(b)

Statute interpreted: s. 30.10 (4)(c)

This order codifies present department program guidance for staff making navigability determinations for farm drainage ditches, identifying various methods and information to be relied on when making such determinations.

**Publication Date:** May 1, 1999  
**Effective Date:** May 1, 1999  
**Expiration Date:** September 28, 1999  
**Hearing Dates:** June 16 and 17, 1999  
**Extension Through:** January 25, 2000

2. Rules adopted creating **ch. NR 328**, relating to regulation of water ski platforms and water ski jumps.

#### Analysis by the Department of Natural Resources

Statutory authority: ss. 30.135, 227.11 (2) (a) and 227.24

Statutes interpreted: ss. 30.66, 30.69 and 30.135

Chapter NR 328 describes the conditions where a water ski jump or platform will require a permit. It explains what constitutes a substantive written objection to a water ski jump or platform and provides a list of reasons that support a substantive written objection. It specifies the contents of a public notice and the process for making a substantive written objection. It details how the department will respond to complaints about an existing water ski jump or platform.

These rules were promulgated as emergency rules at the direction of the joint committee for review of administrative rules.

**Publication Date:** July 9, 1999  
**Effective Date:** July 9, 1999\*  
**Expiration Date:** December 6, 1999

\*Rule suspended by Joint Committee for Review of Administrative Rules on July 5, 1999.

## EMERGENCY RULES NOW IN EFFECT

### *Natural Resources*

#### (Environmental Protection–Investigation and Remediation, Chs. NR 700–)

Rules adopted creating **ch. NR 746**, relating to sites contaminated with petroleum products from petroleum storage tanks.

#### Finding of Emergency

The Wisconsin Natural Resources Board finds that an emergency exists and that a rule is necessary for the immediate preservation of the public peace, health, safety or welfare. A statement of the facts contributing to the emergency is:

The Department of Commerce has adopted administrative rules under ss. 101.143 and 101.144, Stats., to implement the Petroleum Environmental Cleanup Fund Act (PECEFA). The purpose of PECEFA is to reimburse responsible persons for the eligible costs incurred to investigate and remediate petroleum product discharges from a petroleum product storage system or home oil tank system. The recent emergency rule, ch. Comm 46, was adopted by both the Department of Natural Resources and the Department of Commerce in January 1999, incorporating parts of a Memorandum of Understanding between the two agencies that relates to the classification of contaminated sites and creating risk screening criteria for assessing petroleum–contaminated sites. However, ch. Comm 46 expired on September 27, 1999, prior to publication of the permanent rule. The emergency rule, ch. NR 746, is being proposed in order to ensure rules continue in effect during the time period between now and when the permanent rule is published. This action is also in response to a resolution adopted by the Joint Committee for Review of Administrative Rules (JCRAR), which directed the Department of Commerce and the Department of Natural Resources to promulgate a new emergency rule for this interim time period.

The emergency rule was approved and adopted by the State of Wisconsin Natural Resources Board on September 29, 1999.

**Publication Date:** October 20, 1999  
**Effective Date:** October 20, 1999  
**Expiration Date:** March 18, 2000  
**Hearing Date:** November 18, 1999

## EMERGENCY RULES NOW IN EFFECT (2)

### *Revenue*

1. A rule was adopted creating **s. Tax 11.20**, relating to the sales and use tax treatment of machinery and equipment used in waste reduction and recycling activities.

#### Exemption From Finding of Emergency

On February 25, 1999, the Joint Committee for Review of Administrative Rules, pursuant to s. 227.26, (2) (b), Stats., directed the Department of Revenue to use the emergency rule making process to promulgate as an emergency rule, within 30 days, its policies interpreting s. 77.54 (26m), Stats.

#### Analysis by the Department of Revenue

Statutory authority: ss. 227.11 (2) (a) & 227.26 (2) (b)

Statute interpreted: s. 77.54 (26m)

Section Tax 11.20 is created to address the sales and use tax exemptions for waste reduction and recycling activities.

**Publication Date:** March 27, 1999  
**Effective Date:** March 27, 1999  
**Expiration Date:** August 24, 1999  
**Extension Through:** December 21, 1999

2. Rule adopted creating s. Tax 18.08 (4), relating to assessment of agricultural land.

### Finding of Emergency

The Wisconsin Department of Revenue finds that an emergency exists and that a rule is necessary for the immediate preservation of the public peace, health, safety or welfare. A statement of facts constituting the emergency is:

1995 Wisconsin Act 27 changed the way agricultural land is valued for property tax purposes. The law requires the Farmland Advisory Council to make recommendations regarding the transition from valuation under prior law to valuation under current

law, and requires the department to promulgate rules to implement those recommendations.

On October 18, 1999, the Farmland Advisory Council recommended that agricultural land be assessed as of January 1, 2000 and thereafter according to value in agricultural use. Major Wisconsin farm organizations, among others, have petitioned the Department under s. 227.12, Stats., to promulgate an administrative rule implementing the Council's recommendation.

Since the Department holds assessor schools in November and typically publishes the next years use-value guidelines prior to January 1 of that year, an emergency rule requiring assessment of each parcel of agricultural land according to its value in agricultural use is necessary for the efficient and timely assessment of agricultural land as of January 1, 2000.

**Publication Date:** November 30, 1999  
**Effective Date:** November 30, 1999  
**Expiration Date:** April 27, 2000  
**Hearing Date:** January 7, 2000  
**[See Notice this Register]**

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## STATEMENTS OF SCOPE OF PROPOSED RULES

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### ***Elections Board***

#### **Subject:**

S. EIBd 2.07 – Relating to the procedure for challenging nomination papers; the procedure for responding to challenges to nomination papers; and the procedure for filing officer review of challenges to nomination papers.

#### **Description of policy issues:**

##### *Description of objective(s):*

To amend the Elections Board's existing rule; to amend the provisions that provide for the periods of time in which to file a challenge to nomination papers and in which to respond to a challenge to nomination papers.

*Description of policies--relevant existing policies, proposed new policies and policy alternatives considered:*

Under the existing rule, challengers and respondents have three business days in which to file their pleadings with the filing officer. The Board is considering whether those periods of time ought to be increased to give challengers more time in which to file a challenge and respondents more time in which to file a response and, consequently, give each party more time in which to investigate the facts and circumstances underlying the challenge.

#### **Statutory authority for the rule:**

Sections 5.05 (1) (f) and 227.11 (2) (a), Stats.

**Estimates of the amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule:**

8 hours of staff time.

### ***Employe Trust Funds***

#### **Subject:**

S. ETF 20.25 (1) – Relating to the distribution of funds which may be allocated to the annuity reserve of the Public Employe Trust Fund.

#### **Description of policy issues:**

##### *Subject:*

The subject of this rule-making is the distribution of funds which may be allocated to the annuity reserve of the Public Employe Trust Fund by 1999 Wis. Act \_\_\_ [1999 Assembly Bill 495], section 27 (1) (a) and (d). These non-statutory provisions of the legislation direct that \$4,000,000,000 be distributed from the Transaction Amortization Account of the Public Employe Trust Fund's fixed retirement investment trust to the reserves and accounts of the fixed retirement investment trust. Section 27 (1) (d) of the Act further directs that the total amount allocated to the annuity reserve by the legislation, shall be distributed as provided under s. 40.27 (2), Stats. Existing administrative rules would cause this extraordinary distribution to be effective April 1, 2000 for annuities in force. Annuities with effective dates after December 31, 1998 and before January 1, 2000, would receive only a prorated share based on the number of full months in 1999 that the annuity was in effect, and would not receive any share of the distribution if the proration would result in an annuity increase of less than 1%.

#### *Objectives of the rule:*

The purpose of this rule-making is to make permanent the emergency rule-making simultaneously approved by the DETF, ETF Board, Teacher Retirement and Wisconsin Retirement Boards. This rule-making will permanently modify the existing administrative rule on prorating in accord with the emergency rule. As a result, all annuities will be increased by the same percentage, including annuities with effective dates after December 31, 1998 and before January 1, 2000, as a result of the transfer of funds mandated by 1999 Wis. Act \_\_\_ [1999 Assembly Bill 495], s. 27 (1) (a). This is, of course, conditional upon the applicable parts of the legislation withstanding review by the courts.

#### *Policy analysis:*

Section 27 (1) (d) of the Act further directs that the total amount allocated to the annuity reserve by the legislation, shall be distributed as provided under s. 40.27 (2), Stats. This statutory subsection provides that surpluses in the fixed annuity reserve shall be distributed by the Employe Trust Funds Board upon the recommendation of the actuary. These distributions are made in the form of percentage increases in the amount of the monthly annuity in force preceding a dividend. Section 40.27 (2) (b), Stats., provides that the ETF Board may, through administrative rule, apply prorated percentages based on the annuity effective date to annuities with effective dates during the calendar year preceding the effective date of the distribution. No distinction, other than annuity effective date, may be made.

The ETF Board previously adopted s. ETF 20.25 (1) with respect to prorating the annual fixed annuity dividend for annuities which began before the calendar year preceding the dividend. For these annuities, the prorated percentage is calculated by multiplying the number of full months the annuity was in force during the year times the percentage change applicable to annuities effective for the full year, dividing the result by 12 and rounding the answer to the nearest tenth of a percent. If the resulting increase would be less than 1%, no increase applies.

The extraordinary transfer of funds from the Transaction Amortization Account (TAA) mandated by 1999 Wis. Act \_\_\_ [1999 Assembly Bill 495] causes funds, which would otherwise have remained in the TAA to be recognized and fund annuity dividends in later years, to instead be transferred into the annuity reserve in 1999 and paid out as an annuity dividend effective April 1, 2000. Normally, annuities effective during 1999 would receive only a prorated dividend. If this occurred with respect to this extraordinary distribution, then annuitants with annuity effective dates in 1999 would be permanently deprived of a portion of the earnings of the Public Employe Trust Fund which would otherwise have affected their annuities as of April 1, 2001 and in subsequent years. WRS participants who retire during 1999 are not eligible to have their retirement benefits calculated using the higher formula factors for pre-2000 service which are provided by the treatment of s. 40.23 (2m) (e) 1. through 4., Stats., by 1999 Wis. Act \_\_\_ [1999 Assembly Bill 495]. It therefore appears most reasonable to the ETF Board to allow all the annuitants whose annuities become effective during 1999 to fully share in the extraordinary distribution mandated by 1999 Wis. Act \_\_\_ [1999 Assembly Bill 495], provided that transfer is upheld by the courts.

#### *Policy Alternatives to the Proposed Rule*

1. **Take no action.** If the ETF Board takes no action to revise the existing administrative rule, then the distribution of the funds transferred into the annuity reserve by Act s. 27 (1) (a) of 1999 Wis. Act \_\_\_ [1999 Assembly Bill 495] will be prorated with respect to annuities with effective dates after December 31, 1998, and before January 1, 2000.

2. Prorate increases by some other formula. The DETF has not been able to determine any other method of prorating this increase with respect to annuities effective during 1999 which:

- 1) Complies with the limitations of s. 40.27 (2) (b), Stats.; and,
- 2) Does not give rise to the same concerns as presented by the operation of the present s. ETF 20.25 (1).

**Statutory authority:**

SS. 40.03 (2) (i) and 40.27 (2) (b), Stats.

**Staff time required:**

The Department estimates that state employes will spend 20 hours to develop this rule.

### *Employe Trust Funds*

**Subject:**

Ch. ETF 50 – Relating to the eligibility for disability benefits under ch. 40, Stats., and Long-Term Disability Insurance (LTDI) benefits under s. ETF 50.40, when a participant becomes disabled due to a physical or mental disability.

**Description of policy issues:**

*Objectives of the rule:*

To clarify the administrative policies and procedures used for applicants to obtain certification (of disability) from at least two (2) licensed and practicing physicians appointed or approved by the Department.

*Policy analysis:*

Under s. 40.63 (1) (d), Wis. Stats., and s. ETF 50.50 (6), to be eligible for a disability benefit from the WRS, it must be certified in writing by at least two licensed and practicing physicians appointed or approved by the Department, that the employe is disabled. The employe must become unable to engage in any substantial gainful activity by reason of medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued or indefinite duration.

The rule will clarify the administrative policy and procedures that employes must follow to obtain certification (or non-certification) from at least two licensed and practicing physicians appointed or approved by the Department.

*Policy alternatives to the proposed rule:*

The rule is intended to clarify the Department's administrative policy and procedures for disability certification by appointed or approved licensed and practicing physicians. If the rule were not promulgated, the result would be less certainty and efficiency in the administration of the disability benefits programs under chapter 40, Stats., and ch. ETF 50.

**Statutory authority for rule-making:**

Section 40.03 (6), (7) and (8), Stats.

**Anticipated time commitment:**

The Department estimates that state employes will spend 40 hours to develop this rule.

### *Insurance, Commissioner of*

**Subject:**

S. Ins 23.35 – Relating to adjusting minimum benefit requirements.

**Description of policy issues:**

*A statement of the objective of the proposed rule:*

The objective of the proposed rule is to adjust the minimum benefit requirements of s. Ins 23.35.

*A description of existing policies relevant to the rule and of new policies proposed to be included in the rule and an analysis of policy alternatives:*

The current rule sets certain minimum benefit requirements for insurance marketed to fund prearranged funeral plans. This proposed rule change would adjust those minimum benefit requirements.

**Statutory authority for the rule:**

Sections 601.41 (3) and 632.41 (2) (b) 2., Stats.

**An estimate of the amount of time that state employes will spend to develop the rule and a description of other resources necessary to develop the rule:**

40 hours.

### *Public Instruction*

**Subject:**

PI Code – Relating to newly-enacted changes to the SAGE program requiring the Department of Public Instruction to develop rules to implement and administer the payment of state aid.

**Description of policy issues:**

*Rationale for proposed rule development:*

The newly-enacted changes to the SAGE program require the Department to develop rules to implement and administer the payment of state aid.

*Describe the objective(s) of the proposed rule:*

The new SAGE law provides that almost any school, regardless of poverty rate, may apply to participate in SAGE in the 2000-01 school year (there are about 1100 elementary schools in the state). However, the law only appropriates \$37 Million in new aid, which is enough to fund only 400 to 500 of those schools. The law directs the Department to give priority for funding to schools with the highest poverty rates and to spend all the aid, and to maintain an aid payment floor of \$2000 for each low income pupil enrolled in the SAGE grades.

These rules should describe the process by which the Department will take and approve new contracts; the type of information that will be used to determine the poverty rate for each school for which a contract is submitted; the process the Department will use to ensure that all the aid is spent, and if necessary, the relevant timelines.

*Describe any existing relevant policies to be included in the administrative rule:*

The Department currently administers the SAGE aid calculation and payment process using the following policy assumptions:

1. Aid for kindergarten pupils is prorated based on the type of kindergarten in place in the school (pupils in a half time program count as only .5 FTE in the aid calculation process; pupils in a full time program count as 1.0 FTE)

2. DPI pays aid at the kindergarten level only for pupils in a 5-year-old kindergarten (not 4-year old program or other preschool program).

3. DPI has used prior year low income rates to determine the districts and schools eligible to participate in the SAGE program but pay aid on current year counts – based on the actual third Friday enrollment.

*Describe any new policies to be included in the proposed rule:*

The most significant change related to this new law is that a floor of \$2000 of aid per (FTE) pupil has been established. Under current law \$2000 is the maximum amount that can be paid – but the aid amount can be less, depending on the number of low income pupils that are actually enrolled in the participating school. The Department is also required to fully distribute the aid – a provision that does not currently exist.

*Describe policy alternatives:*

Define “kindergarten” for SAGE aid purposes to include both 4- and 5-year old programs. Doing so would reduce the number of new schools that it would be possible to fund but would probably focus more funding on the higher poverty schools, encourage schools to implement or expand such classes, and encourage the integration of preschool and primary grade programming.



**Statutory reference/authority:**

Section 118.43 (6m), Stats.

**Estimate the amount of time/staff resources necessary to develop rule:**

The amount of time needed for rule development by Department staff and the amount of other resources necessary is indeterminable. The time needed in creating the rule language, itself, will be minimal. However, the time involved with guiding the rule through the required rule promulgation process is fairly significant. The rule process takes more than 6 months to complete.

*Contact information:*

For more information, please contact:

Lori Slauson  
Bureau for Policy and Budget  
Department of Public Instruction  
Telephone (608) 267-9127

**Public Instruction****Subject:**

PI Code – Relating to the implementation and administration of the new debt service aid program intended to reimburse SAGE schools for part of the debt service related to the construction of new classrooms to accommodate the program.

**Description of policy issues:***Rationale for proposed rule development:*

The 1999 biennial budget created a new debt service aid program intended to reimburse SAGE schools for part of the debt service related to the construction of new classrooms to accommodate the program. The law requires the Department to promulgate rules to implement and administer the new program.

*Describe the objective(s) of the proposed rule:*

The new categorical aid program provides for the Department to reimburse 20% of a district's annual debt service on bonds related to SAGE building projects that are approved by the Department prior to June 30, 2001.

These rules should describe the criteria the Department will use to approve the bonds, the aid calculation process, and if necessary, the relevant timelines.

*Describe any existing relevant policies to be included in the administrative rule:*

Current SAGE law requires that a school board use the SAGE aid to satisfy the terms of the contract.

- Our current administrative guidelines provide that districts may spend SAGE aid on capitol objects if doing so is necessary to meet the requirements of the law. Some districts have used a portion of the aid for minor remodeling of classroom space, for furniture and equipment, or the rental of portable classrooms or additional space.

*Describe any new policies to be included in the proposed rule:*

Is there a way to provide this aid to current SAGE districts that have already had referendums to build new classrooms to accommodate the program?

**Statutory reference/authority:**

Section 118.43 (8), Stats.

**Estimate the amount of time/staff resources necessary to develop rule:**

The amount of time needed for rule development by Department staff and the amount of other resources necessary is indeterminable. The time needed in creating the rule language, itself, will be minimal. However, the time involved with guiding the rule through the required rule promulgation process is fairly significant. The rule process takes more than 6 months to complete.

*Contact information:*

For more information, please contact:

Lori Slauson  
Bureau for Policy and Budget  
Department of Public Instruction  
Telephone (608) 267-9127

**Public Instruction****Subject:**

S. PI 6.07 – Relating to the adjustment of public library aid payments to be consistent with system services areas after territorial changes occur.

**Description of policy issues:***Rationale for proposed rule development:*

Section 43.24 (1) (b), Stats., directs the Department of Public Instruction to promulgate administrative rules so that public library system aid payment adjustments are made to reflect changes in system territory. The proposed rule adjusts public library aid payments to be consistent with system services areas after territorial changes occur.

*Describe the objective(s) of the proposed rule:*

If the territory of a public library system is altered before the new distribution formula created under s. 43.24 (1) (c), Stats., becomes effective, the Department shall adjust the aid paid based on the previous funding formula established under s. 43.24 (1), Stats. The objective of the proposed rule is to transfer aid either from or to a system on the basis of the aids originally earned by the territory causing the change.

*Describe any existing relevant policies to be included in the administrative rule:*

N/A

*Describe any new policies to be included in the proposed rule:*

For any year in which a system territorial change occurs, but before the new distribution formula called for under s. 43.24 (1) (c), Stats., goes into effect, a state aid adjustment will be made to the affected system(s). The intent of this adjustment is to either transfer aid from or to a system. The amount of the transfer will be the 1999 share of state aid generated by the territory causing the change applied to the current appropriation. The territorial share will be determined by summing the territory's payment factors (square miles, population, and expenditure) as calculated for the 1999 system aids payment and dividing by \$13,249,800, the total amount paid in 1999.

*Describe policy alternatives:*

Make payment adjustments on the basis of something other than the basis on which the territory originally qualified for the aid. This alternative would result in different distribution formulas for systems depending on whether or not the system had territory changes and would conflict with legislative intent.

**Statutory reference/authority:**

Section 43.24 (1) (b), Stats.

**Estimate the amount of time/staff resources necessary to develop rule:**

The amount of time needed for rule development by Department staff and the amount of other resources necessary is indeterminable. The time needed in creating the rule language, itself, will be minimal. However, the time involved with guiding the rule through the required rule promulgation process is fairly significant. The rule process takes more than 6 months to complete.

*Contact information:*

For more information, please contact:

Lori Slauson  
Bureau for Policy and Budget  
Department of Public Instruction  
Telephone (608) 267-9127

## ***Public Instruction***

### **Subject:**

Ch. PI 10 – Relating to the grant program to supplement aid under s. 121.08, Stats., to school districts meeting certain criteria.

### **Description of policy issues:**

#### *Rationale for proposed rule development:*

1999 Wis. Act 9 created a grant to supplement aid under s. 121.08, Stats., to school districts meeting certain criteria. The Department is required to promulgate rules to implement and administer the grant program.

#### *Describe the objective(s) of the proposed rule:*

The rule will establish criteria and procedures for awarding grants to supplement aid to school districts that meet the following requirements:

- The school district had an enrollment in the previous school year of fewer than 500 pupils.
- The school district is at least 200 square miles in area.
- At least 65% of the real property in the school district is exempt from taxation under s. 70.11, Stats., owned by or held in trust for a federally recognized American Indian tribe or owned by the federal government.

*Describe any existing relevant policies to be included in the administrative rule:*

N/A

*Describe any new policies to be included in the proposed rule:*

The rules will:

- Specify grant applicant eligibility requirements.
- Require a school district to verify its eligibility.
- Specify grant application requirements.
- Specify criteria used in reviewing and awarding grants. The Department shall award \$350 for each pupil enrolled in the eligible school district. If adequate funds are not available to pay the full amount, the funds shall be prorated.

*Describe policy alternatives:*

None. The Department is required to develop rules to implement and administer supplemental aid grants under s. 115.435, Stats.

### **Statutory reference/authority:**

SS. 115.435 (3) and 227.11 (2) (a), Stats.

### **Estimate the amount of time/staff resources necessary to develop rule:**

The amount of time needed for rule development by Department staff and the amount of other resources necessary is indeterminable. The time needed in creating the rule language, itself, will be minimal. However, the time involved with guiding the rule through the required rule promulgation process is fairly significant. The rule process takes more than 6 months to complete.

#### *Contact information:*

For more information, please contact:

Lori Slauson  
Bureau for Policy and Budget  
Department of Public Instruction  
Telephone (608) 267-9127

## ***Public Instruction***

### **Subject:**

Ch. PI 35 – Relating to the Milwaukee Parental School Choice Program (MPSCP).

### **Description of policy issues:**

#### *Rationale for proposed rule development:*

1999 Wis. Act 9 created new provisions under s. 119.23, Stats., relating to the Milwaukee Parental School Choice Program (MPSCP). To reflect the statutory changes, chapter PI 35, Wis. Adm. Code, must be modified to:

- Specify voucher payment provisions for MPSCP summer school programs; and
- Calculate the annual voucher amount under the MPSCP.

Other changes are necessary to ensure that participating schools are safe and to make it easier for parents to participate in the program, including:

- Calculating the annual income limits for participation in the MPSCP in a more timely fashion. Calculating the income eligibility limits earlier would allow schools to notify the Department of their intent to be in the program and permit parents to apply to participating schools earlier. Such a change would make the MPSCP application process more in line with the application processes for other educational option programs in Milwaukee.
- Ensuring parents a fair opportunity to submit an application to a choice school by requiring that open application periods for the program set by the private schools would have to be at least 14 days in length.
- Requiring current and new choice schools to submit an occupancy certificate showing compliance with building codes.

#### *1. Describe the objective(s) of the proposed rule:*

The proposed rules will describe the administrative procedure for Department review of eligible MPSCP summer school programs, student eligibility for summer school payment, the calculation of summer school payments, and the method and timing of making those payments to schools to reflect the statutory language for summer school payments under s. 119.23 (4), Stats. The proposed rules will also specify the method used in calculating the voucher payment. The proposed rules will expedite the process of revising the annual income eligibility limits and student application form to allow schools to get into the program earlier and to permit parents to apply to the program earlier. The proposed rules will provide low-income Milwaukee parents with the option of applying to participate in the MPSCP at approximately the same time that they are able to apply to other educational option programs in Milwaukee. Finally, the proposed rules will require current and new choice schools to submit an occupancy certificate to the Department showing the building has been inspected and meets all building codes for schools to ensure the health and safety of children and staff in these schools.

#### *2. Describe any existing relevant policies to be included in the administrative rule:*

The following rule provisions are currently in practice and will be codified through the proposed rule:

- Establishing summer school payment provisions.
- Requiring that accepted applications be submitted at the same time the pupil count reports and choice class lists are submitted.

#### *3. Describe any new policies to be included in the proposed rule:*

See #1 above.

#### *4. Describe policy alternatives:*

Current statutory language provides insufficient detail regarding how the program is to be administered from the perspective of the schools and parents. Therefore, rules should be in place to clarify the application and payment process for participating schools and parents.

### **Statutory reference/authority:**

SS. 119.23 and 227.11 (2) (a), Stats.

**Estimate the amount of time/staff resources necessary to develop rule:**

The amount of time needed for rule development by Department staff and the amount of other resources necessary is indeterminable. The time needed in creating the rule language, itself, will be minimal. However, the time involved with guiding the rule through the required rule promulgation process is fairly significant. The rule process takes more than 6 months to complete.

*Contact information:*

For more information, please contact:

Lori Slauson  
Bureau for Policy and Budget  
Department of Public Instruction  
Telephone (608) 267–9127

**Public Service Commission****Subject:**

Ch. PSC 177 – Relating to incumbent local exchange carrier affiliate rules.

**Description of policy issues:***A. Objective of the rules:*

The objective of these rules is to protect competition through the prohibition of certain types of conduct or arrangements which give preference, discriminate, or provide cross–subsidies between an incumbent local exchange carrier (ILEC) and any affiliate operating in competitive markets. “Affiliates” for purposes of this rulemaking will also include any nonregulated lines of business operated by the ILEC itself, such as inside wire provisioning or Internet access service. The purpose of the rules is to identify conduct or arrangements that are *per se* preferential, discriminatory, or cross–subsidizing, or which, in certain factual situations, may become preferential, discriminatory, or subsidizing. The objective of the rules is to offer useful interpretation of certain provisions of ch. 196, Stats., at the transactional or operational level:

- Section 196.204, Stats., bars cross–subsidies to competitive market operations;
- Section 196.219 (3) (h), Stats., bars ILEC preference or discrimination in favor of an ILEC affiliate or the affiliate’s retail department in the provisioning of ILEC services, products, or facilities;
- Section 196.37 (2), Stats., bars, among other things, unreasonable or preferential ILEC conduct;
- Section 196.604, Stats., prohibits any person, which could include an ILEC affiliate, from seeking any advantage from a utility; and
- Section 196.60 (1) and (3), Stats., which require a utility to treat equally persons who are similarly situated.

Preference, discrimination, and cross–subsidization as banned by the statutes inherently requires examination of the particulars of any situation to determine whether a party is unreasonably favored or another is unfairly harmed. Various types of transactions or operational arrangements may be prohibited categorically, others prohibited only in certain situations. Known transactional or operational areas of inquiry include pricing, bundling, network design, customer information, service provisioning, cost allocations, intangibles, and various other services. Other areas will no doubt develop or be identified in the course of the rulemaking.

While some overlap may occur, the focus of this rulemaking is on substantive prohibitions or requirements directly affecting ILEC operations and transactions, not general reporting requirements for affiliated interest contracts or arrangements falling within the scope of docket 1–AC–147. This rulemaking will not develop specific technical standards for the outputs for ILEC operational support systems (OSS), but may examine whether preference or discrimination could occur between affiliated and nonaffiliated recipients of the designed system outputs.

*B. Existing policies relevant to the proposed rules:*

Existing federal rules need to be harmonized with general state statutory requirements. The need for these rules has grown, first with the passage of Wisconsin’s “Information Superhighway Act,” 1993 Wis. Act 496, and continuing with the federal Telecommunications Act of 1996, Pub. L. 104–104, 110 Stat. 56 (1996) codified at various points in 47 U.S.C. §§ 151 *et seq.* (1996 Act). The latter act established interconnection procedures to introduce competition into local exchange telecommunications markets. Some of the competitors seeking entry are affiliates of the ILECs that are required to interconnect to all qualified companies. Sections 251 and 252 of the 1996 Act have several provisions requiring nondiscriminatory conduct on the part of an ILEC with respect to those new competitors, affiliate and nonaffiliate alike. Federal Communications Commission rules implementing these sections need to be harmonized with state statutory requirements respecting the same subject matter.

The Commission has no existing permanent policies directly implementing the above statutes in terms of common transactions or operations occurring between ILECs and their respective affiliates. The Commission does have interim policies in the form of conditions imposed upon the certification of an alternative telecommunications utility, usually a reseller or competitive local exchange carrier (CLEC), that is affiliated with an ILEC. These interim conditions have been imposed on some 40 affiliated providers since 1994, and were developed by staff and adopted by the Commission on an ad hoc basis. These conditions need to be replaced by permanent rules that, at an operational and transactional level, better balance the statutory prohibitions against discriminations and preferences with the allowance of a reasonable opportunity for an ILEC to provide goods and services to its affiliates based on the benefits of the ILEC’s economies of scope and scale.

*C. New policies proposed:*

The proposed rulemaking does not seek to enact any new policies, but rather to implement the existing statutory prohibitions by identifying with reasonable specificity types of transactions or operational relationships falling within the statutes noted above. While some subject matter areas have been identified, several new discrimination, or subsidy–related, matters are likely to be found within the scope of the rulemaking because of the breadth of the telecommunications industry, the technical complexity and novelty of inter–carrier relationships, and the added requirements derived from the 1996 Act.

*D. Analysis of alternatives:*

To a limited extent alternatives have been “analyzed” as to both procedure and substance through the comment and generic order process in docket 05–TI–158. The Commission’s March 1999 order adopted certain rebuttable presumptions that would have been used in complaint or other proceedings alleging ILEC discrimination in favor of an affiliate. Parts of the industry opposed these presumptions as burdensome and violative of the requirement in s. 196.219 (3) (h), Stats., that the Commission conduct rulemakings to implement that anti–discrimination section. Other parts of the industry, such as interexchange carriers and many independent CLECs, favored the order. Opponents of the order sued. The Commission reconsidered its position and rescinded its final order in docket 05–TI–158, effective July 26, 1999.

The Commission now believes, that in light of s. 196.219 (3) (h), Stats., and surrounding circumstances, the more efficient course of action is a rulemaking proceeding. Extensive litigation would actually slow the development of competition due to a lack of finality as to key competitive ground rules. Moreover, use of complaint or investigation proceedings to develop policy would be reactive, expensive, and provide only minimal guidance. Case–by–case development of policy would tend to slow the development of competitive telecommunication markets as sought by 1993 Wis. Act 496.

**Statutory authority:**

The Commission has authority in the statutory sections noted in “A. Objective of the rules” above, and in ss. 196.02 (3) and 227.11 (2), Stats.

**Time estimates for rule development:**

The Commission estimates that 12 months will be taken up with industry consultations and workshops, drafting, notice and hearing, and final rule promulgation. The process will take at a minimum 350 staff hours.

*Other resources necessary to develop the rules:*

No additional staff or other agency resources are anticipated for this rulemaking.

*Contact information:*

If you have specific questions or comments regarding the proposed rulemaking, please contact:

Peter R. Jahn, Case Coordinator  
Telephone (608) 267-2338

**Transportation****Subject:**

Chs. Trans 101, 102 and 104 – Relating to the implementation of a graduated driver license system which restricts the operating privileges of drivers under 18 years of age in a variety of fashions.

**Description of policy issues:***Description of the objective of the rule:*

The purpose of this rule-making is to amend existing administrative rules in order to implement the statutory requirements of 1999 Wis. Act 9. These changes relate primarily to implementation of a graduated driver license system which restricts the operating privileges of drivers under 18 years of age in a variety of fashions.

*Description of existing policies relevant to the rule and of new policies proposed to be included in the rule and an analysis of policy alternatives:*

**1. Demerit Point System**

1999 Wis. Act 9, section 2749gg, creates s. 343.32 (2) (bc), Stats., which requires the Secretary to assess twice the demerit points to drivers who hold (or would hold if they were licensed) a probationary license. The statute prohibits doubling of points for offenses under Ch. 347, Stats., such as defective speedometer, brakes or lights. Section 343.32 (2) (c) 2., as created by 1999 Wis. Act 9, provides for a six month driver license suspension for any probationary driver, regardless of age, who accumulates more than 12 demerit points in a one year period. This rule making will determine:

- Whether to continue to assess points for Ch. 347, Stats., violations to any drivers;
- Whether points should be doubled based on the date of violation, date of conviction, or date a violation is processed by DMV;
- Whether to impose suspension periods for probationary drivers of more than six months if the drivers accumulate 24 or 30 demerit points, as is done with regular license holders.

If the Department continues to assess points for Ch. 347, Stats., violations, the point system will become very complicated. Under current law, 2, 3, 4 or 6 points are assigned per violation. If those points add up to more than 12 in any 1 year period, licensing action is taken. The type of action varies depending on the total number of points accumulated.

Under GDL, points for offenses would be automatically doubled for second and subsequent offenses, so that 2, 3, 4 and 6 point violations would become 4, 6, 8 and 12 point violations for persons holding probationary licenses that are issued after September 1, 2000. If Ch. 347, Stats., violations continue to be violations for which demerit points are assessed, the Department will need to devote considerable resources to sorting out Ch. 347, Stats., violations from other violations for point assessment purposes. It will also be considerably more confusing for probationary drivers to determine the demerit points that will be assessed from a violation.

Similarly, courts and law enforcement would struggle with trying to determine points attributable to a violation. Finally, such a system would be impossible to use with the current automated citation system in use by many law enforcement agencies across the state because it is impossible to determine the number of points a driver will be assessed upon conviction without first accessing the driver's driving record.

If Ch. 347, Stats., violations are not assessed demerit points, there will be an increased incentive for drivers to "plead down" offenses such as speeding to charges such as "defective speedometer" for which no demerit points are assessed.

If doubling is used for violations committed on or after a certain date, DMV will need to check the violation date for each offense committed by a probationary driver to determine whether to double the points assessed. If doubling is based on conviction date, drivers may be "penalized" by the doubling of demerit points because they exercised their constitutional right to challenge the correctness of a citation in court and delayed reporting of the conviction to DMV until after September 1, 2000. Basing point assessment on the date a violation is processed by the Department would be the most efficient means of implementing the law for the Department, but could result in different license sanctions applying to drivers based solely upon workloads in the judicial and DMV bureaucracies rather than their individual actions.

Section 2749gr of 1999 Wis. Act 9 creates s. 343.32 (2) (c) 2., Stats., which requires DOT to suspend the license of any probationary license holder who accumulates 12 demerit points in a year. Current ch. Trans 101 provides that all drivers are subject to a 2 month suspension if they accumulate 12 to 16 demerit points, a 4 month suspension if they accumulate 17 to 22 points, a 6 month suspension if they accumulate 23 to 30 points, and a 1 year suspension if they accumulate more than 30 demerit points in a year. This rule-making will consider whether to impose 1 year suspensions on probationary drivers who exceed 30 demerit points in a one year period in the same manner as regular license holders.

Not imposing one year suspensions on probationary drivers who accumulate more than 30 demerit points in a year would result in probationary drivers being treated more favorably than regular drivers under the point system.

**2. Effective Dates of Driver License Suspensions and Revocations.**

1999 Wis. Act 9 repealed s. 351.025 (2) (b), Stats., and amended s. 351.025 (2) (a), Stats., to make all Habitual Traffic Offender revocations effective on the date the revocation order was mailed by the Department. This rule-making will amend ch. Trans 103 to conform to this new statutory requirement and consider amending ch. Trans 101 to adopt a similar rule for point suspensions. Having inconsistent effective date provisions for different suspension or revocation programs promotes confusion among law enforcement, DOT processors, courts, prosecutors, the defense bar and the general public.

Section 2734qd of 1997 Wis. Act 9 creates s. 343.06 (1) (cm), Stats., which requires most probationary drivers to accumulate 30 hours of behind-the-wheel training prior to licensing in this state. It requires the Department to adopt rules to waive the 30 hours of behind-the-wheel driving experience requirement for qualified applicants who are licensed by another jurisdiction. This rule-making will establish criteria under which the 30 hour requirement may be waived. Some alternatives are to decline waivers to persons based on their conviction history, on the length of time they've held a license, if they've failed to meet certain documented training requirements, or if they do not have 30 hours of actual behind-the-wheel driving experience. Each of these alternatives provides some insight as to the driver's capabilities, but each will result in a certain degree of regulatory burden.

Section 2734rh of 1999 Wis. Act 9 creates s. 343.085 (1) (b), Stats., which prohibits DOT from issuing a license to a driver who has not held an instruction permit at least six months. It permits DOT to adopt a rule by which this requirement can be waived for a qualified applicant licensed by another jurisdiction. This rule-making will establish criteria under which the 6 month instruction permit requirement can be waived. Two alternatives for

these out-of-state drivers are to waive the requirement if they've held any type of out-of-state license for at least 6 months, or to test the drivers to measure their competence. Testing such drivers would require significant additional staff time to complete, and no additional positions or funding for this program was included as part of 1999 Wis. Act 9, making funding of a new testing program problematic.

Newly-created s. 343.085 (1) (b), Stats., also requires the Department to establish by rule a list of moving violations that would (1) disqualify a driver from obtaining a probationary driver license or (2) extend the 9 month probationary restriction period. This rule-making would establish those lists of offenses as well.

### 3. Administrative Amendments

The Department proposes to make some changes to existing administrative rules not related to Graduated Driver Licensing, for efficiency of operation purposes. In particular, the Department proposes to:

- Allow persons who have a license, issued by Wisconsin or another jurisdiction, that is not expired by more than 8 years to apply for and be issued a Wisconsin driver's license without being retested unless there is a medical or physical reason for testing.
- Revise s. Trans 104.06 (5) (b) to not require a full skills test when a person fails an abbreviated skills test to remove a non air-brake restriction unless the examiner determines the driver demonstrated a lack of driving skills to operate a CMV.
- Revise s. Trans 104.10 (1) (d) to not require a full skills test when a person fails an abbreviated skills test to renew their school bus endorsement unless the examiner determines the driver demonstrated a lack of driving skills to operate a CMV.
- Establish waiting periods between knowledge examinations for persons who repeatedly fail knowledge exams.

These changes will improve efficiency by making the "retest" period consistent with the length of time a license is valid, and by eliminating the need to conduct full CDL skills examinations of drivers who have failed limited exams designed to test particular skills that are tested in separate examinations.

The alternative to changing the "retest period" would be to leave the current 4 year period in effect. The Department's experience is that people whose driver licenses are expired by 8 years or less seldom fail skills tests, and it is therefore safe and reasonable to exclude these drivers from retest requirements. The alternative to dropping the full CDL skills test requirements of ss. Trans 104.06 (5) (b) and 104.10 (1) (d), would be to leave the requirement in effect. It is the Department's experience that drivers who fail the ss. Trans 104.06 (5) (b) and 104.10 (1) (d) special skills test routinely and easily pass the full skills test and that such testing is unnecessary.

Waiting periods between knowledge exams are being considered to discourage people from repeatedly taking knowledge exams, day after day, without apparently studying or preparing. The Department has seen an increase in such exams recently, and requiring a waiting period between tests will help contain cost and encourage study.

### 4. Copying of Driver Licenses

1999 Wis. Act 9 amended s. 343.43 (1) (f), Stats., to permit the Department to establish by rule when driver licenses may be copied. This rule-making will establish guidelines for when parties may copy driver licenses. This rule making will not establish guidelines for copying Wisconsin ID cards, as the statutory prohibition in s. 343.50 (12) (e), Stats., was not affected by 1999 Wis. Act 9.

The Department proposes to permit any person, including businesses or government entities, to copy a driver license for the purpose of identifying a customer, provided the person does not develop or maintain a library or catalog of driver licenses or sell or transfer the information derived from the driver license to any third party. The Department could specify specific types of persons, businesses or government entities that could copy licenses, but such a list would require great amounts of time to maintain and update, would be of doubtful benefit, and would be nearly impossible to enforce. The courts have held that the intent of s. 343.43 (1), Stats., is to prevent persons from creating fake driver licenses for the purpose of driving. Permitting any business to copy licenses while not maintaining a library of them will not undermine this legislative intent.

### 5. Certification of Driving Time

Section 343.06 (1) (cm), Stats., as created by 1999 Wis. Act 9, calls for minor drivers to accumulate more than 30 hours of behind-the-wheel driving prior to being licensed. It does not specify how the Department is to determine the number of hours of behind-the-wheel training a driver has received.

The Department proposes to require by rule that an adult sponsor or parent certify that the minor driver has met this experience requirement. Exceptions allowing minors who lack adult sponsors to self-certify may be adopted.

While the statute itself does not require any certification, the Department believes certification is the only practical mechanism available to administer this statutory requirement. Some other states that have enacted graduated driver license systems that require elaborate logs of driving time be maintained by minor drivers accumulating required experience. This alternative is not being adopted in Wisconsin because it creates a regulatory burden and expense for the state to administer without any benefit. Persons who are willing to falsely certify their compliance would be equally willing to falsely complete a log book. In addition, collecting and reviewing log books would require significant additional staff time, and no positions in the civil service to perform such work were created as part of 1999 Wis. Act 9.

### 6. Other Rule Amendments

Finally, the Department intends to promulgate any other rules or rule amendments made necessary by the enactment of 1999 Wis. Act 9 which become evident in the course of drafting these rules.

#### **Statutory authority for the rule:**

Section 343.32 (2) (bc) as created by s. 2749gg 1999 Wis. Act 9.

Section 343.32 (2) (c) 2. as created by s. 2749gr of 1999 Wis. Act 9.

Section 343.085 (1) (b) as created by s. 2734rh of 1999 Wis. Act 9.

Section 343.06 (1) (cm) as created by s. 2734qd of 1999 Wis. Act 9.

Section 351.02 (1) (f), Stats.

Section 343.02 (1), Stats.

Section 85.16, Stats.

Section 9150 (5g), 1999 Wis. Act 9.

**Estimates of the amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule:**

1300 hours.

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## *SUBMITTAL OF RULES TO LEGISLATIVE COUNCIL CLEARINGHOUSE*

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### **Notice of Submittal of Proposed Rules to Wisconsin Legislative Council Rules Clearinghouse**

*Please check the Bulletin of Proceedings for further information on a particular rule.*

#### **Health and Family Services**

##### **Rule Submittal Date**

On November 30, 1999, the Wisconsin Department of Health and Family Services submitted to the Wisconsin Legislative Council Rules Clearinghouse a proposed rule affecting ch. HFS 50, Wis. Adm. Code, relating to adoption assistance.

##### **Analysis**

Statutory authority: ss. 48.975 (5) and 227.11 (2) (a), Stats.

These are replacement permanent rules for emergency rules published on November 16, 1999 for the adoption assistance program under s. 48.975, Stats. The revised rules implement significant changes made to that statute by 1997 Wis. Act 308.

Among changes made in the rules in response to directives included by 1997 Wis. Act 308 in the program statute are addition of definitions for "extenuating circumstances", "a child with special needs" and a "substantial change in circumstances." These terms are used in connection with changes made in the program statute to permit "in extenuating circumstances" an initial adoption assistance agreement to be made after an adoption, and to permit after an adoption that an adoption assistance agreement be amended because of "a substantial change in circumstances".

##### **Forms**

SS. HFS 50.044 (2) (e) and 50.045 (2) (e) REQUEST FOR ADOPTION ASSISTANCE AMENDMENT (CFS-2092).

##### **Agency Procedure for Promulgation**

Public hearings under ss. 227.16, 227.17 and 227.18, Stats.; approval of rules in final draft form by DHFS Secretary; and legislative standing committee review under s. 227.19, Stats.

##### **Contact Information**

If you have questions regarding this rule, you may contact:

Christopher Marceil  
Division of Children and Family Services  
Telephone (608) 266-3595

#### **Revenue**

##### **Rule Submittal Date**

Notice is hereby given, pursuant to s. 227.14 (4m), Stats., that on December 1, 1999, the Wisconsin Department of Revenue submitted a proposed rule to the Wisconsin Legislative Council Rules Clearinghouse.

##### **Analysis**

The proposed rule creates s. Tax 11.20, relating to sales and use tax exemptions for waste treatment and recycling activities.

##### **Agency Procedure for Promulgation**

A public hearing is not required. The proposed rule will be published under the 30-day notice procedure, pursuant to s. 227.16 (2) (e), Stats.

The Office of the Secretary is primarily responsible for the promulgation of the proposed rule.

##### **Contact Information**

If you have questions regarding this rule, you may contact:

Mark Wipperfurth  
Income, Sales, and Excise Tax Division  
Telephone (608) 266-8253

#### **Veterans Affairs**

##### **Rule Submittal Date**

On November 24, 1999, the Wisconsin Department of Veterans Affairs submitted a proposed rule to the Wisconsin Legislative Council Rules Clearinghouse repealing and recreating ch. VA 4, Wis. Adm. Code, relating to the primary mortgage loan program.

##### **Analysis**

The proposed rule will adopt Fannie Mae program underwriting guidelines. This will enable the Department to process loans more efficiently and minimize the differences between the underwriting of primary loans and conventional loans administered by the Department's originating lenders. Additionally, home improvement loans will be separated from the regular primary loan program to facilitate separate underwriting and application processing.

##### **Agency Procedure for Promulgation**

A public hearing is required. The Division of Veterans Programs is primarily responsible for preparing the rule.

##### **Contact Information**

If you have any questions regarding this rule, please contact:

John Rosinski  
Chief Legal Counsel  
Telephone (608) 266-7916

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## NOTICE SECTION

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### Notice of Proposed Rule

#### *Financial Institutions*

#### *Credit Unions*

**[CR 99–145]**

Notice is hereby given that pursuant to s. 186.235(2) & (8), Stats., and interpreting s. 186.235(14), (16), (17) and (18), Stats., and according to the procedure set forth in s. 227.16(2)(e), Stats., the Office of Credit Unions will adopt the following rule repeal relating to credit union examinations without a public hearing unless, within 30 days after publication of the Notice on **December 15, 1999**, the Office of Credit Unions is petitioned for a public hearing by 25 natural persons who will be affected by the rule repeal, a municipality which will be affected by the rule repeal, or by an association which is representative of a farm, labor, business or professional group which will be affected by the rule repeal.

#### **Analysis Prepared by the Office of Credit Unions**

Statutory authority: s.186.235(2) & (8)

Statute interpreted: s.186.235(14), (16), (17), & (18)

Chapter DFI–CU 52 outlines procedures for conducting credit union examinations, collecting examination fees, special examinations and issues regarding credit union books and records.

As ch. 186, Stats., has been updated and amended throughout the years, certain provisions of the existing Administrative Code have been incorporated into ch. 186. The provisions of existing ch. DFI–CU52 are incorporated into s. 186.235(14), (16), (17) and (18), Stats. Section DFI–CU 52.03(2) references s. 186.26, Stats., which has been repealed. This section of the rule is no longer applicable.

The repeal of this rule was approved by the Credit Union Review Board pursuant to s. 186.235(8), Stats.

#### **Initial Regulatory Flexibility Analysis**

This rule will not have any effect on small business.

#### **Fiscal Estimate**

The proposed rule has no fiscal effect. A copy of the fiscal estimate may be obtained upon request to the Office of Credit Unions, P. O. Box 14137, Madison, WI 53714–0137.

#### **Text of Rule**

SECTION 1. Chapter DFI–CU 52 is repealed.

#### **Contact Person**

Ginger Larson, Director, Office of Credit Unions, 345 W. Washington Ave., 3<sup>rd</sup> Fl, P. O. Box 14137, Madison, WI 53714–0137

### Notice of Proposed Rule

#### *Financial Institutions*

#### *Credit Unions*

**[CR 99–146]**

Notice is hereby given that pursuant to s. 186.235(2) & (8), Stats., and interpreting ch. 19, subch. II & s. 186.235(7), Stats., and according to the procedure set forth in s. 227.16(2)(e), Stats., the

Office of Credit Unions will adopt the following rule repeal relating to the public inspection and copying of records of the Office of Credit Unions without a public hearing unless, within 30 days after publication of the Notice on **December 15, 1999**, the Office of Credit Unions is petitioned for a public hearing by 25 natural persons who will be affected by the rule repeal, a municipality which will be affected by the rule repeal, or by an association which is representative of a farm, labor, business or professional group which will be affected by the rule repeal.

#### **Analysis Prepared by the Office of Credit Unions**

Statutory authority: s. 186.235(2) & (8)

Statutes interpreted: ch. 19, subch. II & s. 186.235(7)

Ch. DFI–CU 64 outlines the procedures for the public inspection and copying of “public records” of the Office of Credit Unions.

1995 Wis. Act 27 created the Department of Financial Institutions (DFI) on July 1, 1996 and the Office of Credit Unions was attached for administrative efficiency. The General Counsel of the Office of the Secretary serves as the custodian for the public records of the Department of Financial Institutions and the Office of Credit Unions.

The disclosure of confidential information and records referred to in s. DFI–CU 64.02 is addressed in s. 186.235(7), Stats.

Chapter 19, subch. II Public Records and Property, Wis. Stats. outlines procedures and requirements for accessing public records. An Open Records Notice posted in areas accessible by the public provides guidance for accessing the records of the Department of Financial Institutions and the Office of Credit Unions.

The repeal of this rule was approved by the Credit Union Review Board pursuant to s. 186.235(8), Stats.

#### **Initial Regulatory Flexibility Analysis**

This rule will not have any effect on small business.

#### **Fiscal Estimate**

The proposed rule has no fiscal effect. A copy of the fiscal estimate may be obtained upon request to the Office of Credit Unions, P. O. Box 14137, Madison, WI 53714–0137.

#### **Text of Rule**

SECTION 1. Chapter DFI–CU 64 is repealed.

#### **Contact Person**

Ginger Larson, Director, Office of Credit Unions, 345 W. Washington Ave., 3<sup>rd</sup> Fl, P. O. Box 14137, Madison, WI 53714–0137

### Notice of Hearings

#### *Health & Family Services*

*(Health, Chs. HFS 110–)*

**[CR 99–157]**

Notice is hereby given that, pursuant to ss. 227.11(2) (a), 250.04 (7) and 254.47 (4), Stats., the Department of Health and Family Services will hold public hearings to consider the repeal and recreation of ch. HFS 175, Wis. Adm. Code, relating to recreational and educational camps.

## Hearing Information

January 4, 2000  
Tuesday  
From 9 a.m. to 11 a.m.

2<sup>nd</sup> Floor West Conf. Room  
Marathon County Health Dept.  
1200 Lakeview Drive  
WAUSAU, WI

January 5, 2000  
Wednesday  
From 9 a.m. to 11 a.m.

Downstairs Conference Room  
City of Milwaukee Health Dept. –  
Northwest Health Center  
7630 W. Mill Road  
MILWAUKEE, WI

January 6, 2000  
Thursday  
From 9 a.m. to 11 a.m.

Room 124  
Washington Square Building  
1414 E. Washington Avenue  
MADISON, WI

The hearing sites are fully accessible to people with disabilities. For the public hearing in Madison, parking for people with disabilities is available in the parking lot across Dickenson Street from the Washington Square Building. The most convenient entrance to the Washington Square Building to get to Room 124, a ground floor hearing site, is from Dickenson Street through the 55 Washington Square entrance.

## Analysis Prepared by the Department of Health and Family Services

The Department and local health departments that serve as agents of the Department regulate all educational and recreational camps operating in Wisconsin to protect public health and safety. Regulation is on the basis of administrative rules promulgated by the Department. The Department's rules are in ch. HFS 175, Wis. Adm. Code. No one may operate a camp without a permit issued by the Department or by one of the Department's agent local health departments. A permit is evidence that when the permit was issued the camp complied with the Department's rules. At the end of 1998 there were 246 educational and recreational camps in Wisconsin, 191 regulated by the Department and 55 by agent local health departments.

Chapter HFS 175 has not been generally revised since November 1985. A workgroup drawn from camp operators, local public health department staff and staff of the Department's Environmental Sanitation Section began reviewing the current rules in early 1993 with the object of developing recommendations for updating them, including making them more flexible in recognition of changes in the industry, clarifying various provisions, making provision for the exceptional risk involved in some activities and adding new safety requirements.

This order makes changes in ch. HFS 175 based upon the workgroup's recommendations, as follows:

–The definition of “recreational and educational camp” is modified to delete the limitation that the overnight living quarters provide 4 or more consecutive nights of lodging. The definition would now cover programs for one to 3 nights, but only if the premises included permanent facilities for food and lodging. This change allows some camps to make use of their facilities the year around and in many cases eliminate the need for more than one license or other approval.

–There is no longer a requirement that plans for a new or expanded camp be submitted to the Department for review and approval before construction begins. An operator may submit the plans for the Department's review but is not required to do so.

–The current rules section on Water Supply and Waste Disposal is divided into separate sections on Water Supply, Sewage Disposal System, Toilet and Shower Facilities, and Garbage and Refuse.

–Food safety and service requirements and related equipment and utensil requirements in ch. HFS 196, the Department's rules for restaurants, are made to apply also to camp dining halls, commissary operations and concession stands in place of separate rule sections currently in ch. HFS 175 relating to food supplies and protection,

equipment and utensils, and washing, rinsing and sanitizing utensils.

–New rules are added for outdoor food service. These rules are intended to ensure food safety and proper sanitation when food is prepared and/or served out-of-doors at camps.

–The rules section relating to Safety is expanded to require that specified high-risk camper activities, such as rock climbing and archery, be under the supervision of a trained adult; to require a camp emergency plan covering camper security, fire, severe weather, a lost camper and a lost swimmer; to require notification of local fire-fighting and law enforcement officials when a camp opens; and to require that permanent structures be in compliance with Department of Commerce fire safety rules which DHFS staff and agent local health department staff will enforce. The Waterfront subsection in the current rules, which covers swimming and watercraft activities, is renamed Water Activities, the training requirements for lifeguards are updated and an alternative safety measure is provided to the requirement for supervision of adults engaged in non-swimming water activities.

–The rules section relating to Health is revised to delete the requirement that each camper and staff member on arrival at a camp present a written report of a physical examination performed within the preceding 36 months (an up-to-date health history is still required, except in family camping programs), to provide more flexibility in staffing for on-site health services but limited service by persons who have only completed an American Red Cross first aid and safety course, to add a requirement that the staff or consulting physician, in cooperation with the camp operator, develop a written protocol for the administration of medications and provision of routine and emergency medical care at the camp, and to require a health services staff person to accompany all overnight programs that go off-site or to primitive camping areas.

## Contact Person

To find out more about the hearings or to request a copy of the proposed rules, write or phone:

Edward Rabotski  
Bureau of Environmental Health  
P.O. Box 2659  
Madison WI 53701-2659  
608-266-8294 or,  
if you are hearing impaired,  
608-267-7371 (TTY)

If you are hearing or visually impaired, do not speak English, or have circumstances which might make communication at a hearing difficult and if you, therefore, require an interpreter or a non-English, large print or taped version of the hearing document, contact the person at the address or phone number shown above. Persons requesting a non-English or sign language interpreter should contact the person at the address or phone number given above at least 10 days before the hearing. With less than 10 days notice, an interpreter may not be available.

## Written Comments

Written comments on the proposed rules received at the above address no later than **January 13, 2000** will be given the same consideration as testimony presented at a hearing.

## Fiscal Estimate

This is a general updating of the Department's rules for recreational and educational camps. The rules are designed to help protect the health and safety of the public. The rules are enforced by the Department in some areas of the state and by local health departments serving as agents of the Department in other areas of the state. No one may operate a camp without a permit issued by the Department or by an agent local health department.

The rules are amended to clarify provisions, add new safety requirements and make the rules more flexible in recognition of changes in the industry. The definition of “camp” is modified to delete the limitation that a camp provide 4 or more consecutive



nights of lodging; there is no longer a requirement for Department pre-approval of plans for a new or expanded camp; food safety and service requirements and related equipment and utensil requirements in ch. HFS 196, rules for restaurants, are made to apply also to camp dining halls; there are new rules for food safety and sanitation when food is prepared and served out-of-doors; training requirements for lifeguards are updated; more flexibility is permitted in staffing for health care services; and the current requirement that each camper and staff member on arrival at the camp present a written report of a physical examination received within the preceding 36 months is deleted (an up-to-date health history is still required).

Fees charged to camps cover the costs to state government and agent local health departments of this regulatory program.

Of the 246 camps operating in the state at the end of 1998, 12 were operated by University of Wisconsin campuses and one was operated by the Department of Natural Resources. The rule changes will permit camps to rent out their facilities from time to time to organized groups without having to have restaurant and hotel permits which would be required now in addition to a camp permit. So the rule changes could either result in some savings for these camps in terms of permit fees, if they now rent out their facilities, or make it less costly for a camp to rent out its facilities.

### **Initial Regulatory Flexibility Analysis**

These revised rules apply to the operation of recreational and educational camps. No more than 30 of the 246 recreational and educational camps in Wisconsin are small businesses as “small business” is defined in s. 227.114 (1) (a), Stats.

The revised rules clarify current provisions, add new safety requirements and make the rules more flexible in recognition of changes in the industry. The definition of “camp” is modified to delete the limitation that a camp provide 4 or more consecutive nights of lodging, the effect being to permit a camp to operate the year around and to enable some camps to avoid having to obtain restaurant and hotel permits in addition to a camp permit; there is no longer a requirement for Department pre-approval of plans for a new or expanded camp; food safety and service requirements and related equipment and utensil requirements in ch. HFS 196, rules for restaurants, are made to apply also to camp dining halls; there are new rules for food safety and sanitation when food is prepared and served out-of-doors; and more flexibility is permitted in staffing for health care services.

The rules are minimum requirements for protecting the health and safety of campers and staff. Because of this, no special measures could be included in the revised rules to relieve small businesses, as such, of some of the requirements.

## **Notice of Hearing**

### **Pharmacy Internship Board**

**[CR 99–159]**

Notice is hereby given that pursuant to s. 36.25 (20), Stats., and interpreting ss. 36.25 (20) and 450.045, Stats., the Pharmacy Internship Board will hold a public hearing at the time and place indicated below to consider a revision of rules affecting ch. Ph–Int 1, relating to the Pharmacy Internship Board.

### **Hearing Information**

#### **Date & Time**

January 25, 2000  
Tuesday  
12:30 P.M.

#### **Location**

5120 Chamberlin Hall  
School of Pharmacy  
UW–Madison  
425 North Charter St.  
MADISON, WI

## **Analysis Prepared By Pharmacy Internship Board**

The profession of pharmacy, its roles, tasks, duties, and responsibilities have evolved greatly within the past five years. Similarly, the roles, tasks, duties, and responsibilities for interns enrolled in the state’s pharmacy internship program have evolved as a prerequisite for pharmacist licensure in Wisconsin. Ending in 1999, the five-year baccalaureate degree has been replaced with the six-year Doctor of Pharmacy degree (Pharm.D.) as the entry-level degree into the pharmacy profession. With the inception of the Pharm.D., changes also have occurred in the didactic and experiential learning course work required by the American Council on Pharmaceutical Education, an accreditation agency, for schools and colleges of pharmacy nationwide. As a result, pharmacy students may now accrue all pharmacy internship hours while enrolled in the academic curriculum. This differs from the former baccalaureate degree where a minimum of 1000 of the 1500 hour pharmacy internship requirement had to be served extracurricularly. Furthermore, changes in experiential learning coursework, and the need for pharmacist preceptor supervision, now takes place earlier in the curriculum than in the past. The Pharmacy Internship Board needs to amend its current rules and make rule changes in light of this.

Other factors necessitate changes in the Pharmacy Internship Board rules. International pharmacy graduates (graduates from non-accredited schools and colleges of pharmacy) can pursue pharmacist licensure in Wisconsin as allowed by the Wisconsin Pharmacy Examining Board. A prerequisite to do this includes serving a pharmacy internship of 1500 hours before the state board exams are taken. Amendments and additional Pharmacy Internship Board rules are needed to reflect this change. Pharmacy residency programs (as a form of postgraduate professional training) will continue to emerge. Since some pharmacy residents elect not to pursue pharmacist licensure during this training, the Pharmacy Internship Board is needed to provide oversight and ensure adequate supervision and consumer protection. Pharmacy Internship Board rule amendments and changes are needed to reflect this. Last, pharmacists licensed in other states who have applied and are waiting to complete the Wisconsin pharmacist licensure exams often desire pharmacy internship licenses to practice in the interim period before they are licensed. Pharmacy Internship Board rule amendments and rule changes are needed to ensure these pharmacists are eligible to practice as pharmacist interns before being allowed to practice under the supervision of a registered pharmacist.

Other miscellaneous changes have been proposed, including registration expiration dates, fees and continuing education.

### **Initial Regulatory Flexibility Analysis**

The proposed rules and rule changes are not foreseen to affect small businesses.

### **Fiscal Estimate**

The proposed rules and rule changes are not foreseen to have a fiscal impact on the liabilities, and revenues of a county, city, village, town, school district, technical college district or a sewerage district.

The proposed rules and rule changes are not foreseen to have a fiscal impact on the state’s current budgetary biennium.

### **Requests for Copies of Rule and Contact Information**

Paul G. Rosowski, M.S., R.Ph.  
Director of Pharmacy Internship  
State of Wisconsin  
1336 Chamberlin Hall  
425 North Charter Street  
Madison, WI 53706–1515  
Telephone (608) 262–3717

E–mail = [pgrosowski@pharmacy.wisc.edu](mailto:pgrosowski@pharmacy.wisc.edu)

## Notice of Hearing

### Revenue

Notice is hereby given that pursuant to ss. 70.32(2r) and 227.24, Stats., and interpreting s. 70.32(2r), Stats., the State of Wisconsin Department of Revenue will hold a public hearing, at the **State Capitol, Room 417 North (the G.A.R. Room), in the City of Madison, Wisconsin, on the 7th day of January, 2000, commencing at 10:30 a.m.** to consider the emergency rule promulgated November 30, 1999 relating to the assessment of agricultural land.

### Analysis Prepared by the Wisconsin Department of Revenue

Statutory Authority: ss. 70.32(2r) and 227.24

Statute Interpreted: s. 70.32(2r)

Under current chapter Tax 18, use-value assessment of agricultural land is phased-in over the period from 1995 to 2008. During the phase-in, the assessment of a parcel of agricultural land is changed in steps, from its frozen 1995-1997 assessment to its use value. Full implementation of use value, that is, assessment based exclusively on the parcel's value in agricultural use, begins in 2008.

Under the emergency rule, use value assessment of agricultural land is fully implemented beginning in 2000.

This rule takes effect November 30, 1999, upon publication in the official state newspaper as provided in s. 227.22(2)(c), Stats.

### Initial Regulatory Flexibility Analysis

Under s. 227.114(8)(a), this analysis is not required for an emergency rule promulgated under s. 227.24.

### Fiscal Estimate

Under Chapter Tax 18, use-value assessment of agricultural land is phased-in over the period from 1995 to 2008. During the phase-in, the assessment of a parcel of agricultural land is changed in steps, from its frozen 1995-1997 assessment to its use value. Full implementation of use value, that is, assessment based exclusively on the parcel's value in agricultural use, begins in 2008.

Under the proposed rule, use value assessment is fully implemented beginning in 2000.

**Summary of Fiscal Effect.** The fiscal effect of advancing use value assessment from January 1, 2008, to January 1, 2000, is a reduction in the taxable value of agricultural land and a consequent shift in property taxes from agricultural land to other classes of taxable property. Equalizing state aid distribution formulas — shared revenues and school aids — will reallocate aids away from taxing jurisdictions with little or no agricultural land to jurisdictions where agricultural land is relatively more important. In addition, state forestry taxes will decrease under the proposed rule.

**Reduction in Tax Base and Effect on Tax Rates.** The 1999 statewide equalized value, excluding tax-increment district value increments (TID-out), is \$261.1 billion. Based on department estimates, the 1999 value would have been about \$258.9 billion, if agricultural land had been assessed according to its use value. Under the current rule, about \$2.2 billion (\$261.1 billion. - 258.9 billion.) in agricultural land value would be removed from the tax rolls in increments as use value is phased in between 1999 and 2008. Under the proposed rule, the entire \$2.2 billion of equalized value is removed from the tax rolls in 2000.

Of the 1999 TID-out value of \$261.1 billion, \$2.2 billion represents 0.84% (\$2.2 billion. / \$261.1 billion.). Thus, the 1999 statewide average tax rate would have been 0.84% higher under the

proposed rule than under the current rule. Assuming a 1999 average net tax rate of \$22.15 per \$1000, the 1999-2000 tax on a \$100,000 property would be \$2,215 under the current rule. If the proposed rule had been in effect for 1999, the average net tax rate would have been \$22.34 ( $\$22.15 * 1.0084$ ) per \$1,000, and the tax on a \$100,000 property would have been \$2,234 or \$19 higher than under the current rule. The effect on tax rates by taxing jurisdiction is discussed below.

**Municipal Tax Rates.** Assuming municipal levies increase by 6% over 1998, under the current rule, total municipal levies in 1999 would be about \$1.5 billion and the 1999 average municipal tax rate would be \$5.74 (\$1.5 billion. / \$261.1 billion.) per \$1,000. Under the proposed rule, the 1999 average municipal tax rate would be about \$5.79 (\$1.5 billion. / \$258.9 billion.) per \$1,000 or \$0.05 per \$1,000 greater than under the current rule. Tax rate changes will vary among municipalities, ranging from no change up to an increase of \$1.73 per \$1,000.

**County Tax Rates.** Assuming county levies increase by 6% over 1998, under the current rule, total county levies in 1999 would be about \$1.2 billion, and the 1999 average county tax rate would be about \$4.59 (\$1.2 billion. / \$261.1 billion.) per \$1,000. Under the proposed rule, the 1999 average county tax rate would be about \$4.63 (\$1.2 billion. / \$258.9 billion.) per \$1,000 or \$0.04 per \$1,000 greater than under the current rule. Tax rate changes will vary among counties, ranging from no change up to an increase of \$0.94 per \$1,000.

**School Tax Rates.** Assuming 1999 school levies increase by 6% over 1998, under the current rule, total school levies would be about \$2.9 billion and the 1999 average school tax rate would be about \$11.11 (\$2.9 billion. / \$261.1 billion.) per \$1,000. Under the proposed rule, the 1999 average school tax rate would be about \$11.20 (\$2.9 billion. / \$258.9 billion.) per \$1,000 or \$0.09 per \$1,000 greater than under the current rule. Tax rate changes will vary among school districts, ranging from no change up to an increase of \$0.73 per \$1,000. Technical college tax rates would increase by an average of about \$0.01 per \$1,000 under the proposed rule.

**State Forestry Taxes.** Assuming a \$2.2 billion decrease in total value under the proposed rule, state forestry taxes would have decreased by about \$440,000 ( $\$2.2 \text{ billion.} * 0.0002$ ).

**Administrative Costs.** Municipal assessment costs may decrease under the proposed rule since local assessors would not have to calculate the annual changes required under the phase in.

The proposed rule would require minor revisions to the *Wisconsin Property Assessment Manual*. The cost of the revisions would be absorbed.

### Contact Person

Following the public hearing, the hearing record will remain open until **January 14, 2000**, for additional written comments.

Copies of the complete rule text and fiscal estimate are available at no charge on request from Blair Kruger at the address listed below. An interpreter for the hearing-impaired will be available on request for the hearing. Please make reservations for a hearing interpreter by **January 4, 2000**, either by writing:

Blair P. Kruger  
Division of Research and Analysis  
Wisconsin Department of Revenue  
125 S. Webster Street  
Madison, WI 53702  
(608) 266-1310  
FAX: (608) 266-8704

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**NOTICE OF SUBMISSION OF PROPOSED RULES TO THE PRESIDING OFFICER OF EACH HOUSE OF THE LEGISLATURE,  
UNDER S. 227.19, STATS.**

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*Please check the Bulletin of Proceedings for further information on a particular rule.*

**Agriculture, Trade and Consumer Protection (CR 99-117):**

Ch. ATCP 30 – Relating to pesticide product restrictions.

**Elections Board (CR 99-137):**

Ch. ElBd 7 – Relating to the approval of electronic voting equipment.

**Health and Family Services (CR 99-106):**

Chs. HFS 101 to 103 and 108 – Relating to providing eligibility under the BadgerCare health insurance program to families with incomes up to 185% of the federal poverty level that are not covered by health insurance, do not have access to an employer-subsidized family health care plan which is 80% or more subsidized and are not otherwise eligible for the Medical Assistance (MA) program under AFDC-related or SSI-related criteria.

**Higher Educational Aids Board (CR 99-132):**

S. HEA 11.03 – Relating to the Minority Teacher Loan Program.

**Natural Resources (CR 98-161):**

Ch. NR 5 – Relating to boating enforcement and education.

**Revenue (CR 99-105):**

S. Tax 11.67 – Relating to service enterprises.

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## ADMINISTRATIVE RULES FILED WITH THE REVISOR OF STATUTES BUREAU

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*The following administrative rules have been filed with the Revisor of Statutes Bureau and are in the process of being published. The date assigned to each rule is the projected effective date. It is possible that the publication of these rules could be delayed. Contact the Revisor of Statutes Bureau at (608) 266-7275 for updated information on the effective dates for the listed rules.*

### **Agriculture, Trade and Consumer Protection**

#### **(CR 98-158):**

An order amending s. ATCP 75.015 (7) (c), relating to the retail food establishment license exemption for restaurant permit holders.

Effective 01-01-00.

### **Agriculture, Trade and Consumer Protection**

#### **(CR 99-78):**

An order amending s. ATCP 60.19 (3) and (4), relating to drug residues in raw milk.

Effective 01-01-00.

### **Agriculture, Trade and Consumer Protection**

#### **(CR 99-116):**

An order affecting ch. ATCP 77, relating to certification fees for laboratories engaged in public health testing of milk, water and food.

Effective 01-01-00.

### **Commerce (CR 99-89):**

An order creating ch. Comm 111, relating to certified capital companies.

Effective 02-01-00.

### **Financial Institutions--Securities (CR 99-121):**

An order affecting chs. DFI-Sec 1 to 5 and ss. DFI-Sec 7.06 and 9.01, relating to securities broker-dealer, agent and investment adviser licensing requirements and procedures, securities registration exemptions, definitions and forms.

Effective 01-01-00.

### **Natural Resources (CR 98-180):**

An order affecting ss. NR 200.03 and 206.03, relating to WPDES (Water Pollutant Discharge Elimination System) permit exemptions for private sewage systems with a design capacity of less than 12,000 gallons per day.

Effective 02-01-00.

### **Natural Resources (CR 98-196):**

An order affecting chs. NR 105, 106, 211 and 215, relating to regulating the discharge of chloride to surface waters of the state.

Effective 02-01-00.

### **Natural Resources (CR 99-25):**

An order creating ch. NR 169, relating to the reimbursement of response action costs for response actions taken at eligible dry cleaning facilities.

Effective 02-01-00.

### **Natural Resources (CR 99-44):**

An order amending s. NR 20.09 (2), relating to bow fishing hours on inland lakes during the rough fish spearing season.

Effective 04-01-00.

### **Natural Resources (CR 99-83):**

An order affecting chs. NR 40, 41 and 45, relating to public use of Department lands.

Effective 01-01-00.

### **Nursing Home Administrator Examining Board**

#### **(CR 99-114):**

An order affecting ss. NHA 1.02, 4.01 and 4.03, relating to experience and reciprocity.

Effective 02-01-00.

### **Podiatrists Affiliated Credentialing Board (CR 98-38):**

An order creating chs. Pod 1 to 6, relating to the regulation and licensure of podiatrists.

Effective 02-01-00.

### **Transportation (CR 99-119):**

An order affecting ss. Trans 276.07 and 276.09, relating to allowing the operation of "double bottoms" (and certain other vehicles) on certain specified highways.

Effective 01-01-00.

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## *PUBLIC NOTICE*

### **Public Notice**

*Dept. of Financial Institutions  
Division of Savings Institutions*

### **Notice of Interest Rate on Required Residential Mortgage Loan Escrow Accounts For 2000**

Under section 138.052 (5) (a), Stats., with some exceptions, a bank, credit union, savings bank, savings and loan association, or mortgage banker, which originates a residential mortgage loan requiring an escrow account to assure the payment of taxes or insurance, shall pay interest on the outstanding principal of the escrow.

Section 138.052 (5) (am) 2., Stats., directs the Department of Financial Institutions, Division of Savings Institutions, to determine annually the required interest rate. The rate is based on the average interest rate paid by Wisconsin depository institutions on passbook savings accounts.

The Department of Financial Institutions, Division of Savings Institutions, has calculated the interest rate required to be paid on escrow accounts under section 138.052 (5), Stats., to be **2.51%** per year. This interest rate shall remain in effect until the first day of the first month following publication of the new interest rate in the *Wisconsin Administrative Register*.

### **Contact Information:**

Mr. John Gervasi, Acting Administrator  
Division of Savings Institutions  
Department of Financial Institutions  
Telephone (608) 261-2300

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DEPARTMENT OF ADMINISTRATION  
BUREAU OF INTEGRATED DOCUMENT SERVICES  
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