

Eighty-Ninth Regular Session

WEDNESDAY, November 22, 1989

The chief clerk makes the following entries under the above date.

INTRODUCTION OF BILLS

Read first time and referred:

Senate Bill 383

Relating to releasing pupils from school for religious instruction.

By Senators Burke, Plewa, Te Winkle, George, Van Sistine, Chilsen, Andrea, Moen, Rude, Kincaid and Farrow; cosponsored by Representatives Williams, Kunicki, Rosenzweig, Duff, Stower, Johnsrud, Vergeront, Walling, Welch and Ladwig.

To committee on Education, Economic Development, Financial Institutions and Fiscal Policies.

Senate Bill 384

Relating to construction of an elementary school in Lac du Flambeau school district no. 1 and making an appropriation.

By Senators Stitt, Cowles, Lorman and Farrow; cosponsored by Representatives Boyle, Ladwig, Tregoning and Zweck.

To committee on Education, Economic Development, Financial Institutions and Fiscal Policies.

Senate Bill 385

Relating to designating portions of the Rock and Yahara rivers a scenic urban waterway.

By Senator Weeden; cosponsored by Representatives Robson and Wood.

To committee on Urban Affairs, Environmental Resources, Utilities and Elections.

Senate Bill 386

Relating to participation of pharmacists in limited service health organizations and preferred provider plans.

By Senators Andrea, Feingold, Rude and Van Sistine; cosponsored by Representatives Barca, Clarenbach, Porter, Stower, Duff, Medinger, Hamilton, Tregoning, Roberts, Moore, Holperin, Bolle, Zeuske, Lorge and Rohan.

To committee on Labor, Business, Insurance, Veterans' and Military Affairs.

PETITIONS AND COMMUNICATIONS

Senate Petition 13

A petition by 64 residents of the State of Wisconsin in support of maintaining the present .10 blood alcohol concentration for conviction of driving while intoxicated.

By Senator Lorman.

Read and referred to committee on Judiciary and Consumer Affairs.

Senate Petition 14

A petition by 500 residents of the State of Wisconsin in support of Senate Bill 300, relating to disposal and recycling of solid waste.

By Senator Lorman.

Read and referred to joint committee on Finance.

State of Wisconsin
Office of the Secretary of State

November 20, 1989

To the Honorable the Senate

I have the honor to transmit to you the following information pursuant to s. 13.685(7).

If you have any questions concerning this transmittal, please contact Teresa Walker, Lobbyist Specialist, at (608) 266-5503.

NEWLY REGISTERED LOBBYISTS AND THEIR PRINCIPALS:

Michael Blumenfeld November 13, 1989, 16 N. Carroll, Ste. 200, Madison WI 53703; (608)257-1888.

1) WI Farm Consumer Coalition Dennis W. Harden; 6612 Mineral Point Rd., Madison WI 53705; (608)829-3152.

Subjects: Any legislative or administrative actions directly or indirectly affecting farmers.

Michael Brozek November 14, 1989, 22 N. Carroll St., Ste. 200, Madison WI 53703; (608)251-0267.

1) Carmichael Development Group, Inc. Joseph D. Bjordal, VP; 112 Walnut St., 2nd Fl., Hudson WI 54016; (715)386-1440.

Subjects: Any function or activity of any branch, department or phase of federal, state or local government; agriculture, outdoors or environment; taxation, regulation of business, finance or insurance or other topics pertaining to the general public health or welfare.

Gail Humphreys November 13, 1989, 3 S. Pinckney, Ste. 722, Madison WI 53703; (608)257-7887.

1) Door County Environmental Council Jerome Viste; 1916 Viste Rd., Sturgeon Bay WI 54235; (414)743-5397.

Subjects: All issues affecting the environment, tourism and economic development.

Judy C. Millis November 13, 1989, 6411 Mineral Point Rd., Ste. E, Madison WI 53705; (608)276-6082.

1) Creative Resource Ventures, Ltd. Robert T. Glebs; 6411 Mineral Point Rd., Ste. E, Madison WI 53705; (608)276-6082.

Subjects: All matters relating to the solid waste industry.

Kevin P. O'Toole November 14, 1989, 10850 W. Park Pl., Ste. 1200, Milwaukee WI 53224; (414)359-1110.

1) Waste Management of WI, Inc. William R. Katzman; 10850 W. Park Pl., Ste. 1200, Milwaukee WI 53224; (414)359-1110.

Subjects: Solid waste management; landfill issues; recycling, etc.

TERMINATION OF LOBBYIST LICENSES:

Thomas Coenen terminated as of November 13, 1989 for WI Auto Collision Tech. Assn. Ltd.

Janet R. Swandby terminated as of November 13, 1989 for WI Auto Collision Tech. Assn., Ltd.

TERMINATION OF PRINCIPALS:

WISPARK Corp. terminated as of November 17, 1989.

STATE AGENCY LEGISLATIVE ACTIVITY:

AGENCY: Health & Social Services

DELETION OF LOBBYIST(S): Roberta Kostrow

ADDITION OF LOBBYIST(S): Patty Brill Hammes & Mike Hughes

DATE: November 15, 1989

Sincerely,

DOUGLAS LAFOLLETTE

Secretary of State

State of Wisconsin

Legislative Audit Bureau

November 16, 1989

To the Honorable the Legislature:

We have completed our evaluation of the Dairy Plant Security program administered by the Department of Agriculture, Trade and Consumer Protection. The program is intended to provide a reasonable assurance that dairy farmers will receive payments for milk they sell to dairy plants by requiring plants which do not meet minimum financial criteria to file security with the State as a condition of state licensure.

Based on the most recent information, 122 of the 241 dairy plants subject to the law have not been required to file security. The recent bankruptcy of Kasson, Inc., a dairy plant which had not posted security, resulted in 210 dairy farmers failing to receive a total of \$2.5 million in payments for milk. These losses raise questions about whether the program's policies and procedures are adequate to protect the financial interest of farmers, and also prompted dairy farmers who incurred losses to file a claim for state reimbursement with the State Claims Board.

Whether the Department was negligent in its administration of the Kasson matter will be decided by the Claims Board. However, based on a broader review of the program, we found deficiencies with several program policies and procedures. Most importantly, the financial criteria used by the Department to identify potentially financially troubled plants are not adequate. As a result, some plants experiencing financial difficulties have been able to operate without being required to file security. When the Department eventually required the

plants to file security, they were financially incapable of complying. As the agency responsible for program administration, the Department might have been expected to identify such program deficiencies and seek appropriate corrections, such as proposing revisions in the rules.

We also found that the Department's analysis of plant financial information is not consistently thorough, and the Department has not ensured that dairy plants comply with several program requirements. We have included several recommendations to the Department for improving program policies and procedures, including strengthening financial criteria.

Implementing our recommendations and other changes identified by the Department should increase the likelihood that dairy farmers will be financially protected in future dairy plant defaults. Improving the existing program, however, will not guarantee that dairy farmers will avoid losses in future dairy plant defaults. Some argue broader program changes are needed to reduce even further the financial risks faced by dairy farmers.

Consequently, we have analyzed several policy options for legislative consideration, including requiring all plants to file security and creating a statewide security fund. In considering whether to adopt any of these policies, the Legislature will need to decide whether increasing the financial protection for dairy farmers beyond that achieved through improving the existing program is necessary and can be achieved at an acceptable level of cost to the industry.

We appreciate the courtesy and cooperation extended to us by department staff and others in the dairy industry. The Department's response is the Appendix.

Sincerely,

DALE CATTANACH

State Auditor

State of Wisconsin

Department of Health and Social Services

November 15, 1989

To the Honorable the Legislature:

Pursuant to the requirements of section 153.10(1), Wis. Stats., I am pleased to submit to the Senate this first quarterly *Health Care Data Report*. Although the initial report was not required until 1990, we have elected to publish the data based on hospital inpatient discharges report to the Office of Health Care Information by all operating general medical-surgical and specialty hospitals in Wisconsin for the first quarter of 1989 (*January - March 1989*).

This report fulfills the statutory requirement to report "in a manner that permits comparisons among hospitals ... the charges for up to 100 health care services or diagnostic-related groups selected by the office". The report goes beyond the statutory requirements by presenting several analyses of the Wisconsin hospital picture by distributions of patient discharges based on age, sex source of hospital reimbursement and length of

stay. The average charges per patient discharged by diagnostic-related groups are also compared by health service area and by hospital volume group. In accordance with section 153.05(11), Wis. Stats., the Office will be conducting public hearings on this report on November 30, 1989 in Appleton, December 1, 1989 in Eau Claire, and December 4, 1989 in Madison.

I wish to express my sincere appreciation to all Wisconsin hospitals who extended cooperation to the Office in this very difficult initial reporting process. My special appreciation is reserved for the Office staff and the Hospital Data Systems Unit of the Center for Health Statistics, who collected the data and drafted this report.

Printed copies of this report are available from the Office. Please contact our Office should you, any members of the Senate or staff have any questions. Our office stands ready to assist in any way possible.

Sincerely,
 DAVID L. F. Duax
 Office of Health Care

Information

State of Wisconsin
 Investment Board
 November 16, 1989

To the Honorable the Legislature:

Pursuant to s.25.17(14m) of the Statutes, I am submitting to you the Investment Board's Annual Report for fiscal year 1989, which contains a discussion of investments made within the state.

Sincerely,
 PATRICIA LIPTON
 Executive Director

State of Wisconsin
 University of Wisconsin System
 November 13, 1989

To the Honorable the Legislature:

RE: Report Under Section 36.25(14m)(b) Wisconsin Statutes

Following the Board of Regents action on November 10, 1989, I am transmitting the minority/disadvantaged program report required under s. 36.25(14m)(b) of the Wisconsin Statutes.

Section 36.25(14m)(b) provides that:

"By November 15, 1988 and annually thereafter, the board shall adopt a recruitment and retention plan for minority and disadvantaged students enrolled in the system. The recruitment and retention plan shall include allocations from the appropriation under s. 20.285(4)(a). By November 15, 1988 and annually thereafter, the board shall submit a report on the recruitment and retention plan under this paragraph to the governor and to the presiding officer of each house of the legislature for referral to the

appropriate standing committees under s. 13.172(3).

Our recruitment and retention plan for minority and disadvantaged students, Design for Diversity, is making a difference. During the first year of the plan we have increased the number of new minority freshmen and transfer students by 16.25%, 6% more than expected for the first year of the Design for Diversity. Several institutions have done an outstanding job of increasing minority enrollment. UW-Superior tripled the number of African American students and nearly doubled the number of American Indian students, UW-Oshkosh nearly doubled the number of African American students, while UW-Stout and UW-Green Bay have more than doubled the number of Hispanic students. In actual numbers, UW-Milwaukee has enrolled 65 more new minority freshmen and transfers. UW-Madison and UW-Oshkosh enrolled 31 and 25 more new minority freshmen and transfer students respectively. These increases are impressive when we consider that the proportions of African American, Hispanic, and American Indian high school graduates continue to be substantially below white and Asian high school graduates in Wisconsin.

We are also improving minority student retention. Several institutions, including UW-Milwaukee and UW-Eau Claire, have reported that minority students who participated in their advising programs have equaled or exceeded the retention rates of white students. Some institutions (UW-Madison, UW-Platteville and UW-Eau Claire) reported that minority students who entered tutorial programs early in the semester had higher final grades in certain cases than minority students who did not enter tutorial programs, or who entered them late. Data collected through the Uniform Minority Information System (UMIS) have begun to substantiate the effectiveness of our retention programs.

This report includes 10-year projections for the increase in the numbers of African-American, Hispanic and American Indian students. The yearly projections serve as yardsticks. While I do not expect that the actual numbers of new minority freshmen and transfer students will match these projections precisely year-to-year, I believe that the UW System can meet both the five year and ten year goals.

Initiatives being undertaken both systemwide and at the institutional level are making a difference and will help us to sustain this momentum. One systemwide initiative, Volunteer Outreach in College Education (VOICE) is becoming increasingly well known. This is a statewide committee of 500 persons which builds bridges between the communities and the campuses with expertise in admissions, counseling, and financial aid. VOICE has received a special boost from the DO COLLEGE, multi-media advertising campaign. Both programs augment the ongoing operations of the Minority Information Center (MIC), which is based in Milwaukee but provides services statewide and now

features a toll-free 800 number to field inquiries from persons interested in higher education opportunities.

Please feel free to contact me, or my Special Assistant Dr. James E. Sulton, Jr., if you have questions or require additional information.

Sincerely,
KENNETH A. SHAW
President

Referred to committee on Educational Financing, Higher Education and Tourism.

SENATE CLEARINGHOUSE ORDERS

Senate Clearinghouse Rule 89-89

Relating to the use of any amphetamine, sympathomimetic amine drug or compound designated as a schedule II controlled substance under s. 161.16 (5), Stats.

Submitted by Department of Regulation and Licensing.

Report received from agency, November 16, 1989.

Referred to committee on Agriculture, Corrections, Health and Human Services, November 22, 1989.

Senate Clearinghouse Rule 89-125

Relating to conditional release and convalescent leave of residents of institutions for mental diseases under the medical assistance program.

Submitted by Department of Health and Social Services.

Report received from agency, November 20, 1989.

Referred to committee on Agriculture, Corrections, Health and Human Services, November 22, 1989.

Senate Clearinghouse Rule 89-147

Relating to day care centers.

Submitted by Department of Industry, Labor and Human Relations.

Report received from agency, November 20, 1989.

Referred to committee on Labor, Business, Insurance, Veterans' and Military Affairs, November 22, 1989.

Senate Clearinghouse Rule 89-160

Relating to animal racing, pari-mutuel wagering, licensing, humane treatment of animals and appeals of decisions of the Wisconsin racing board.

Submitted by Wisconsin Racing Board.

Report received from agency, November 20, 1989.

Referred to committee on Labor, Business, Insurance, Veterans' and Military Affairs, November 22, 1989.

The committee on Education, Economic Development, Financial Institutions and Fiscal Policies reports and recommends:

Senate Clearinghouse Rule 89-141

Relating to securities and franchise registration exemptions; securities and franchise registration and disclosure standards, requirements and procedures; securities broker-dealer, securities agent and investment adviser licensing requirements and procedures, including permanent rules to replace emergency rules adopted effective August 15, 1989, to brokered certificates of deposit; and fees for delinquent filings under the securities and franchise laws.

No action taken.

Barbara Ulichny
Chair

The committee on Transportation, Conservation and Mining reports and recommends:

Senate Clearinghouse Rule 89-101

Relating to the uniform traffic citation.

No action taken.

Senate Clearinghouse Rule 89-98

Relating to wildlife damage control.

No action taken.

Lloyd Kincaid
Chair

The committee on Urban Affairs, Environmental Resources, Utilities and Elections reports and recommends:

Senate Clearinghouse Rule 88-32

Relating to exceptions, internal offsets, deferrals, nonozone season allowances and solvent registrations for RACT VOC sources.

No action taken.

Senate Clearinghouse Rule 89-39

Relating to volatile organic compound emission limits for sources regulated under the state implementation plan for ozone.

No action taken.

Fred A. Risser
Chair