

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

PETITIONS AND COMMUNICATIONS

State of Wisconsin

University of Wisconsin Medical School

May 30, 1990

To the Honorable the Legislature:

Wisconsin Act 122, creating section 51.025 of the Wisconsin State Statutes, requires the creation of a state task force to study controlled substance use by pregnant women and women with young children. The Task Force is required to submit a preliminary report, by June 1, 1990, to the Chief Clerk of each house of the legislature for distribution to the appropriate standing committees on health issues under s.13.172(3). A final report is due to the legislature by July 1, 1992. A copy of this report is on file in the Office of the Senate Chief Clerk.

Sincerely,

FREDRIK F BROEKHUIZEN,

M.D.

Task Force Chair

Referred to the committee on Agriculture, Corrections, Health and Human Services.

State of Wisconsin

Department of Health and Social Services

June 1, 1990

To the Honorable the Legislature:

Under the provisions of Section 3023(2c) of 1989 Wisconsin Act 122, the Department of Health and Social Services is required to submit to the Governor and Legislature by June 1, 1990, a study of alcohol and other drug abuse (AODA) services provided to Medicaid HMO participants in Milwaukee County. The required study is attached to this letter. A copy of this report is on file in the Office of the Senate Chief Clerk.

Sincerely,

PATRICIA A. GOODRICH

Secretary

State of Wisconsin

Legislative Audit Bureau

May 30, 1990

To the Honorable the Legislature:

We have completed a financial and compliance audit of the University of Wisconsin-Platteville's student financial assistance programs as required by federal regulations and as requested by the University of Wisconsin-System. We also included the state grants in our awards testing for compliance with state statutes as requested by the Wisconsin Higher Educational Aids Board. Our audit period was July 1, 1987, through June 30, 1989.

The first and second sections of our report contain the University's student financial assistance programs' financial statements and the related independent auditor's report. The third and fourth sections contain the auditor's report on the internal control structure and report on compliance, as well as our comments on the internal control structure deficiencies and findings of noncompliance. The fifth section contains our comments on the status of the recommendations made during the prior audit conducted by the University of Wisconsin-System Internal Audit.

Except for question costs of \$11,612 and minor compliance errors, we found the University of Wisconsin-Platteville administered the student financial assistance programs as required by federal regulations and state statutes. The University issued financial aid to five ineligible students, exceeded the award limits for two students, and did not request reimbursement from the federal government at the appropriate times.

We appreciate the courtesy and cooperation extended to us by the University of Wisconsin-Platteville staff during our audit. The University's comments on individual audit findings are within the body of our report and an overall response is the Appendix.

Sincerely,

DALE CATTANACH

State Auditor

State of Wisconsin

Legislative Audit Bureau

June 4, 1990

To the Honorable the Legislature:

We have completed a limited review of two issues affecting the Unemployment Compensation Reserve Fund, as part of our audit responsibilities under s. 13.94, Wis. Stats. Both are related to circumstances under which an employer may be permitted to pay less tax to the fund than would otherwise be required.

First, when claims against an employer exceed taxes paid by more than 10 percent of the employer's taxable payroll, the Department of Industry, Labor and Human Relations is required by statute to "write-off" the excess negative balance. This may assist the employer in eventually bringing its negative balance below 6 percent of its taxable payroll, which would result in a lower overall tax rate. We found that few employers (6 percent in 1989) were affected by the write-off provision and, of those, 12.5 percent benefited from the write-off in the determination of their 1990 tax rates. As intended, the policy appears to benefit those firms subject to cyclical economic downturns rather than those which experience numerous layoffs on a seasonal basis.

Second, the policy which allows the new owner of a transferred business to choose between the tax rate imposed on the former owner and the tax rate assigned to new businesses appears to need clarification. While the

sale of stock has not traditionally been considered a transfer of business, decisions permitting a new owner to choose the lower tax rate following the acquisition of 100 percent of stock have been made. Because there is currently no statutory provision covering this circumstance, the Legislature will need to consider the circumstances under which the sale of stock constitutes a transfer of business when the Department submits a new administrative rule on the subject.

We appreciate the courtesy and cooperation of the Department's staff in completing this review. A response from the Department is the Appendix.

Sincerely,

DALE CATTANACH

State Auditor

State of Wisconsin
Legislative Council

May 31, 1990

To the Honorable the Legislature:

I am pleased to transmit to you the following reports to the 1989 Legislature on legislation introduced by the Legislative Council:

RL 89-22 -- Legislation on Health Care Services (1989 Senate Bill 545)

I would appreciate your including this letter in the Journal for the information of the membership. Additional copies of this report are available, on request, in the Legislative Council offices, One East Main, Suite 401.

Sincerely,

Dave Stute

Director

State of Wisconsin
University of Wisconsin System

May 25, 1990

To the Honorable the Legislature:

Section 20.923(5), Wis. Stats., requires that the Board of Regents assign specified titled positions to salary ranges in whatever manner the board determines. The board is required to file a report annually with the Governor and Legislature.

The board has directed that all positions referenced in s.20.923(5) be assigned to either a State Executive Salary

Group or to a UW System salary range based on the following assignment criteria:

I. Positions subject to State Executive Salary Group assignment.

A. All positions referenced in s.20.923(5) which carry the following titles regardless of annual salary:

Associate Vice Presidents

Assistant Vice Presidents

Associate Chancellors

Vice Chancellors not designated in ss.20.923(4)(8)

Associate Vice Chancellors

Assistant Vice Chancellors

Assistant Chancellors

B. All positions carrying the titles of Assistant to the Chancellor or directors or associate directors with over 50 percent of their activities coded as physical plant, general operations and services, and auxiliary enterprises whose fiscal year annual salary rate exceeds the maximum of pay range 1-17 (1989-90 maximum is \$50,951) of the general non-represented pay schedule #1.

II. Positions subject to UWS Salary Range Assignment:

All Assistants to the Chancellor and directors or associate directors with over 50 percent of their position assigned to an enumerated activity code in the statute whose annual salary does not exceed the maximum of pay range 1-17.

Part A of the attached report designates those positions assigned to State Executive Salary Groups and Part B provides the minimum and maximum for those positions assigned to a UWS Salary Range. The report is dated March 1, 1990 and serves to fulfill this calendar year's reporting requirement.

Sincerely,

KENNETH A. SHAW

President

SENATE CLEARINGHOUSE ORDERS

State of Wisconsin

Revisor of Statutes Bureau

June 1, 1990

To the Honorable the Legislature:

The following rules have been published and are effective:

- Clearinghouse Rule 88-104 part eff. March 1, 1990.
- Clearinghouse Rule 88-104 part eff. June 1, 1990.
- Clearinghouse Rule 88-125 effective June 1, 1990.
- Clearinghouse Rule 89- 2 effective June 1, 1990.
- Clearinghouse Rule 89- 18 effective June 1, 1990.
- Clearinghouse Rule 89- 49 effective June 1, 1990.
- Clearinghouse Rule 89- 65 effective June 1, 1990.
- Clearinghouse Rule 89- 66 effective June 1, 1990.
- Clearinghouse Rule 89- 75 effective June 1, 1990.
- Clearinghouse Rule 89- 98 effective June 1, 1990.
- Clearinghouse Rule 89-111 effective June 1, 1990.
- Clearinghouse Rule 89-143 effective June 1, 1990.
- Clearinghouse Rule 89-163 effective June 1, 1990.
- Clearinghouse Rule 89-165 effective June 1, 1990.
- Clearinghouse Rule 89-172 effective June 1, 1990.
- Clearinghouse Rule 89-173 effective June 1, 1990.
- Clearinghouse Rule 89-187 effective June 1, 1990.
- Clearinghouse Rule 89-190 effective June 1, 1990.
- Clearinghouse Rule 89-202 effective June 1, 1990.
- Clearinghouse Rule 89-207 effective June 1, 1990.
- Clearinghouse Rule 89-210 effective June 1, 1990.
- Clearinghouse Rule 90- 1 effective June 1, 1990.
- Clearinghouse Rule 90- 2 effective June 1, 1990.
- Clearinghouse Rule 90- 7 effective June 1, 1990.

Sincerely,

GARY L. POULSON

Assistant Revisor

Senate Clearinghouse Rule 88-172

Relating to livestock markets, dealers and truckers.

Submitted by Department of Agriculture, Trade and Consumer Protection.

Report received from agency, June 1, 1990.

Referred to committee on Agriculture, Corrections, Health and Human Services, June 6, 1990.

Senate Clearinghouse Rule 88-170

Relating to animal disease prevention and control.

Submitted by Department of Agriculture, Trade and Consumer Protection.

Report received from agency, June 1, 1990.

Referred to committee on Agriculture, Corrections, Health and Human Services, June 6, 1990.

Senate Clearinghouse Rule 88-171

Relating to the movement, importation, sale and exhibition of animals.

Submitted by Department of Agriculture, Trade and Consumer Protection.

Report received from agency, June 1, 1990.

Referred to committee on Agriculture, Corrections, Health and Human Services, June 6, 1990.

Senate Clearinghouse Rule 90-17

Relating to mechanical refrigeration.

Submitted by Department of Industry, Labor and Human Relations.

Report received from agency, June 4, 1990.

Referred to committee on Labor, Business, Insurance, Veterans' and Military Affairs, June 6, 1990.

Senate Clearinghouse Rule 90-58

Relating to 1990 hunting and trapping regulations, wildlife refuges and use of vehicles by disabled persons on department of natural resources properties.

Submitted by Department of Natural Resources.

Report received from agency, June 4, 1990.

Referred to committee on Transportation, Conservation and Mining, June 6, 1990.

Senate Clearinghouse Rule 90-24

Relating to a satisfactory driving record for the purpose of driver instructor licensure.

Submitted by Department of Transportation.

Report received from agency, June 1, 1990.

Referred to committee on Transportation, Conservation and Mining, June 6, 1990.

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

Senate Clearinghouse Rule 89-123

Relating to sport fishing.

No action taken.

Senate Clearinghouse Rule 90-11

Relating to automatic firearms.

No action taken.

Senate Clearinghouse Rule 90-15

Relating to hunting of wild turkeys.

No action taken.

Senate Clearinghouse Rule 90-40

Relating to the urban mass transit operating assistance program.

No action taken.

Senate Clearinghouse Rule 90-67

Relating to the Horicon Canada goose management zone.

No action taken.

Lloyd Kincaid

Chair

The committee on Aging, Banking, Commercial Credit and Taxation reports and recommends:

Senate Clearinghouse Rule 88-24

Relating to updating sales and use tax rules for changes which have been made in the sales and use tax laws and other nonsubstantive changes.

No action taken.

Senate Clearinghouse Rule 89-103

Relating to income and franchise taxation, including various administrative issues, income tax deductions, returns and credits for tax paid to other states.

No action taken.

Senate Clearinghouse Rule 89-170

Relating to the sales and use tax treatment of telecommunication services.

No action taken.

Senate Clearinghouse Rule 89-10

Relating to income and franchise taxation.

No action taken.

Senate Clearinghouse Rule 90-13

Relating to the homestead credit.

No action taken.

Senate Clearinghouse Rule 89-192

Relating to liquor taxation.

No action taken.

Senate Clearinghouse Rule 89-90

Relating to the requirement that operators of swap meets, craft fairs, flea markets and similar events identify vendors at these events for sales and use tax purposes.

No action taken.

Senate Clearinghouse Rule 89-105

Relating to corporation income and franchise tax income and deductions.

No action taken.

Senate Clearinghouse Rule 88-169

Relating to the homestead credit.

No action taken.

Senate Clearinghouse Rule 89-104

Relating to income and franchise tax administrative provisions, residency, moving expenses, IRA deductions and manufacturers' sales tax credit.

No action taken.

Senate Clearinghouse Rule 88-65

Relating to updating the rules to reflect changes which have been made in the sales and use tax law and other miscellaneous changes in sales and use tax rules.

No action taken.

Russell D. Feingold
Chair

CHIEF CLERK'S REPORT

The chief clerk records:

Senate Bill 547.

Correctly enrolled and presented to the Governor on June 1, 1990.