



STATE OF WISCONSIN Assembly Journal

Ninety–Second Regular Session

THURSDAY, August 28, 1996

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

Department of Administration staff will be available to provide additional information that may be required.

Sincerely,
TOMMY G. THOMPSON
Governor

EXECUTIVE COMMUNICATIONS

Referred to committee on **Environment and Utilities**.

August 26, 1996

REFERRAL OF AGENCY REPORTS

Mr. Charles R. Sanders
Assembly Chief Clerk
One East Main Street, Suite 402
Madison, WI 53703

State of Wisconsin
Department of Commerce
Madison

August 2, 1996

Dear Mr. Sanders:

To the Honorable, the Legislature:

I am pleased to transmit the attached Stripper XVII Low Income Energy Assistance Oil Overcharge Plan for consideration by the Joint Committee on Finance (JCF). As required by Wisconsin Statute 14.065, I am also forwarding a copy to the Chief Clerk of the Senate.

In accordance with s. [234.65 \(5\)](#), the Department of Development is required to provide a report addressing the effects of the Wisconsin Housing and Economic Development Authority's (WHEDA) lending activities on the state's economic development.

In response to cuts in Federal funding for Wisconsin's Low Income Home Energy and Weatherization Assistance Programs, on April 16, 1996, the Joint Committee on Finance (JCF) concurred with my direction to the Department of Administration *"to coordinate a thorough exploration of alternatives aimed at achieving a more sustainable low income funding strategy that will continue to meet the needs of Wisconsin as Federal funding declines."*

I am respectfully submitting the attached WHEDA Report for loans closed in 1995 in the manner provided in section 13.172(3), Wisconsin Statutes. If you have any questions concerning the report or would like to obtain copies, please contact Bev Haberman in our Division of Administrative Services, Bureau of Policy and Budget Development at 608/267-6876.

Sincerely,
WILLIAM J. McCOSHEN
Secretary, Department of Commerce

The Committee set-aside \$100,000 of Oil Overcharge funds in unallotted reserve for planning purposes and left \$900,000 unallocated. This Plan proposes to commit that \$1.0 million, plus additional Oil Overcharge funds to implement low income energy assistance pilot programs and for administering other energy efficiency/conservation initiatives. The low income energy assistance initiatives continue Wisconsin's aggressive and innovative approach to assist our most needy residents.

Referred to committee on **Housing**.

State of Wisconsin
Department of Administration
Madison

August 5, 1996

A total of \$1.265 million of Stripper monies, plus interest is recommended. I urge your support of this Plan. The

To the Honorable, the Legislature:

[Chapter 34, Laws of 1979](#), requires that when the Department of Administration maintains an office in Washington, DC, for

the purpose of promoting federal/state cooperation, it should submit a report detailing the activities of the office and reporting the status of federal legislation of concern to the Legislature and to other state agencies (Wis. Stats. 16.548(2)).

The report for the period April 1, 1996, through June 30, 1996, is attached.

Sincerely,
JAMES R. KLAUSER
Secretary, DOA

Referred to special committee on **State–Federal Relations**.

State of Wisconsin
Department of Workforce Development
Madison

August 13, 1996

To the Honorable, the Legislature:

RE: Report of Alleged Worker's Compensation Fraud,
Section [102.125](#), Wis. Stats.

The purpose of this letter is to report to the Governor and Legislature regarding allegations of worker's compensation fraud reported to the Department of Workforce Development. This is the second annual report.

[1993 Wisconsin Act 81](#) created s. [102.125](#), Wis. Stats., effective January 1, 1994. It requires the Department to record allegations of worker's compensation fraud, and if there is a reasonable basis to believe that a violation of s. [943.395](#), Stats., [insurance fraud] has occurred, to refer the case for prosecution by the district attorney of the county in which the violation occurred. It also requires the Department to report annually to the Governor and Legislature regarding the number of allegations and referrals, and the results of the referrals. *Attachment 1* is a copy of ss. [102.125](#) and [943.395](#), Stats.

This report shows that the program has achieved remarkable success in fairly and efficiently enforcing the law. These admirable achievements are founded on close partnerships with insurance carriers, prosecutors, and the employer community.

Sincerely,
RICHARD WEGNER
Acting Secretary, DWD

Referred to committee on **Labor and Employment**.

AGENCY REPORTS

State of Wisconsin
State Historical Society
Madison

August 6, 1996

To the Honorable, the Assembly:

I'm pleased to send you the initial report from the Electronic Records Program at the State Historical Society. The State Legislature established the program with a special appropriation in 1994.

The report describes what the Program staff accomplished in its first year of work. Let me relate a few particularly interesting discoveries from its investigations:

By overlooking data storage and management costs, state agencies waste money on computer systems. For example, one state agency developed an immense, comprehensive statewide database without the capability to identify and dispose of electronic records it no longer needs. Another agency's investigation of its data storage costs confirmed that significant amounts of money can be saved by deleting records that have no further use.

Agencies place records with permanent and enduring value on imaging systems that quickly become obsolete and lack the capability for transferring records to newer technology. Again, the costs for correcting these overlooked problems are very high, and permanent records that agencies need for their administration can be lost if solutions do not emerge in time.

Over half of all the state's electronic records series deemed permanent by the Public Records and Forms Board have been destroyed in whole or in part. This percentage refers only to those electronic records that have been scheduled for disposition according to state law. It is likely that there are a significant number of electronic systems that are not scheduled where records are being destroyed indiscriminately.

A state commission created a database of considerable importance for public policy and long-range planning in a format which current computer hardware and software cannot read. Program staff determined that the database might be recovered only by expending significant resources, though proper planning would have made the data readily accessible far into the future.

The enclosed report places these and other instances in the framework of issues concerning the management of Wisconsin's electronic records. The Program staff have continued their examination of these issues during the 1995/96 fiscal year and look forward to reporting to you on their progress this coming Fall.

Please call me at the number below if you have any questions about our first-year report or would like further information on our work.

Sincerely,
PETER GOTTLIEB
State Archivist

State of Wisconsin
Legislative Audit Bureau
Madison

August 8, 1996

To the Honorable, the Legislature:

We have completed an evaluation of Wisconsin's employer-funded Duty Disability program, which is administered by the Department of Employee Trust Funds. The program provides lifetime benefits to police officers, firefighters, prison guards, and other protective employees who are fully or partially disabled by injuries on the job. Benefits can equal up to 80 percent of the injured employee's former salary and are exempt from federal and state incomes taxes. As of January 1, 1996, more than 16,000 workers were employed in protective occupations, and 627 former protective workers or their families were receiving program benefits.

The Duty Disability program provides more generous benefits and has considerably lower qualifying requirements than standard disability programs for non-protective workers. The Legislature created these higher benefit levels in recognition of the unusual risks associated with protective occupations. However, questions have been raised over whether higher benefit levels limit the incentive for partially disabled participants to seek careers for which they are physically qualified, and over the equity of some benefits levels. Further, the program has no mechanism to remove participants whose injuries heal and who are no longer disabled. Since 1982, when the Duty Disability program underwent major changes, the number of former protective workers qualifying for disability benefits has increased from an average of 10 per year to an average of 49 per year. The Department's contracted actuary estimates the lifetime cost of benefits for current program recipients at \$142 million.

We have identified a number of options the Legislature can consider to improve program administration and address equity questions. These options include establishing work

incentives for those who are physically able to develop new careers, requiring periodic medical reviews to confirm a continuing disability, and authorizing more extensive employer review of claims.

We appreciate the courtesy and cooperation extended to us by staff in the Department of Employee Trust Funds and representatives of other state agencies, municipalities, and counties we contacted during the course of this evaluation. The Department's response is Appendix II.

Respectfully submitted,
DALE CATTANACH
State Auditor

August 22, 1996

Mr. Charles R. Sanders
Assembly Chief Clerk
1 East Main Street, Suite 402
Madison, WI 53702

Dear Charles:

Enclosed is a copy of the General Report of the Joint Legislative Council to the 1995 Legislature, prepared and submitted pursuant to s. 13.81 (3), Stats. This General Report also incorporates additional information relating to legislative actions on Council proposals that was previously presented to the Legislature in the form of the separate Legislative Council Digest. The Digest has been discontinued.

I would appreciate your noting in the Assembly Journal, pursuant to s. 13.172, Stats., that this report has been delivered to your office.

Thank you.

Sincerely,
DAVID J. STUTE
Director