

1995-96 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ 95hrJC-Fi_Misc_pt33

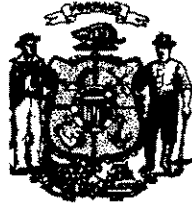
➤ Record of Comm. Proceedings ... RCP

➤ **

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

119 Martin Luther King Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

119 Martin Luther King Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

March 28, 1996

Secretary George E. Meyer
Department of Natural Resources
101 South Webster Street
Madison, WI 53707-7921

Dear Secretary Meyer:

We have reviewed the Department's request pursuant to SECTION 9142(9p) of 1995 Act 27, pertaining to the release of \$13,800 SEG in 1995-96 from unallotted reserve for licensing automation. There were no objections to this request during the 14-day review period and, accordingly, the Department's request has been approved. With this approval the Committee has released the entire \$100,000 SEG that was placed in unallotted reserve in 1995 Act 27.

We, again, request that you keep the Committee informed as to the actual costs incurred in contracting for the development of the design specifications that are required to create the request for proposals associated with an automated licensing system. In addition, please submit to the Committee a summary of the request for proposals submitted, including cost estimates, and the Department of Natural Resources' recommendations on how to finance the development, testing and implementation of the automated system.

We would like to thank you in advance for your attention to our request.

Sincerely,

Handwritten signature of Ben Brancel in cursive.

BEN BRANCEL
Assembly Chair

Handwritten signature of Tim Weeden in cursive.

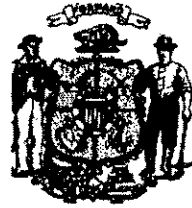
TIM WEEDEN
Senate Chair

BB/TW/dr

cc: Members, Joint Committee on Finance
James Klauser
Richard Chandler

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN



ASSEMBLY CHAIR
BEN BRANCEL

119 Martin Luther King Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253

119 Martin Luther King Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

March 12, 1996

TO: Members
Joint Committee on Finance

FROM: Senator Tim Weeden, Senate Chair
Representative Ben Brancel, Assembly Chair

SUBJECT: Passive Review of the Request to Release the Remaining Funds for Licensing Automation

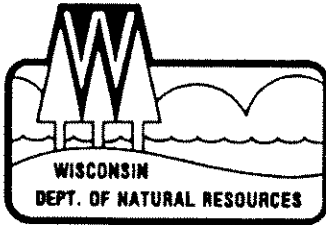
Our offices received a request from the Department of Natural Resources (DNR) on March 8, 1996, to release \$13,800 SEG in 1995-96 from unallotted reserve. A copy of this request is attached for your review. 1995 Act 27 specified that DNR could not spend \$100,000 SEG provided in 1995-96 for licensing automation unless DNR received the approval of the Joint Committee on Finance under a 14-day passive review process similar to that used under s. 16.505/16.515.

On December 27, 1995, our offices sent a letter to DNR Secretary Meyer indicating that the Committee had no objections to the release of \$86,200 SEG in 1995-96 from unallotted reserve to contract for the development of the design specifications that are required to create the request for proposals associated with an automated licensing system. Thus, \$13,800 SEG remains in unallotted reserve. 1995 Act 27 did not fund the development, testing and implementation of such a system. Therefore, we requested that Secretary Meyer keep the Committee informed as to the actual costs incurred in contracting for the development of the design specifications. We also requested that he forward to the Committee a summary of the request for proposals submitted, including cost estimates, and the Department of Natural Resources' recommendations on how to finance the development, testing and implementation of the automated system.

DNR indicates that it will use these remaining funds to contract with the Department of Health and Social Services for technical work related to the software for the new business systems requirements which are being developed by the private consultant, Cutler/Williams, Inc.

Please review this item and notify Senator Weeden's office by March 27, 1996, if you have any concerns about the request or would like the Committee to meet formally to consider it.

TW/BB/dr
Attachment



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Tommy G. Thompson, Governor
George E. Meyer, Secretary

PO Box 7921
101 South Webster Street
Madison, Wisconsin 53707-7921
TELEPHONE 608-266-2621
FAX 608-267-3579
TDD 608-267-6897

February 20, 1996

Senator Timothy Weeden, Co-Chair
Room 37 South, State Capitol Building
Joint Committee on Finance
State Capitol Building
Madison, Wisconsin 53707-7882

Representative Ben Brancel, Co-Chair
Room 107 South, State Capitol Building
Joint Committee on Finance
State Capitol Building
Madison, Wisconsin 53708-8952

SUBJECT: Release of \$13,800 from Unallotted Reserve for Licensing Automation

Dear Senator *Tim* Weeden and Representative *Ben* Brancel:

The Department of Natural Resources (DNR) is requesting release of the balance of funds in unallotted reserve in FY 1996 in Appropriation 20.370(1)(mu), \$13,800, for an automated license point-of-sale (POS) system. The POS project will automate sales of hunting and fishing licenses, permits and related items at approximately 2,500 locations across the state. It will provide on-line access to vendors and enable them to print licenses and other permits on site.

A total of \$100,000 was awarded in the 1995-97 biennial budget, 1995 Act 27. Funding is provided for system design work as a part of a planned systematic overhaul of the Department's infrastructure and business systems that support the sale of hunting and fishing licenses. Sec. 9142(9p) of Act 27 specifies that the Department may not encumber or expend these moneys for the purpose of licensing automation without first notifying and receiving approval from the Joint Committee on Finance.

On November 15, the Department submitted a request for release of \$86,200 of the total amount. The Joint Finance Committee subsequently approved this request, which left an unapproved balance of \$13,800. As described in our November 15 request, the Department is using the \$86,200 to contract with Cutler Williams Inc. to develop the technical requirements for the new point-of-sale system. We anticipate this phase will be completed by the end of this fiscal year as originally planned.

We are requesting release of the balance in order to hire a technical case consultant who will be responsible for the software for the new business

Quality Natural Resources Management
Through Excellent Customer Service



systems requirements which are being developed by Cutler Williams. As of last November, we were still looking for an appropriate technical case consultant in an effort to minimize costs. We have now worked out an arrangement to contract with the Department of Health and Social Services for reassignment of a DHSS employee at \$45 per hour. This rate compares favorably with the \$65 per hour rate we would have paid had we hired Cutler Williams for this function. We anticipate a total of 360 hours of work, for a total cost of \$16,200. We should be able to fund the \$2,400 balance from existing funds.

At this point in time, all of the steps and completion dates in the point-of-sale project remain as identified in our November 15 request. We are also continuing to work closely with staff in DOA's Division of Technology Management who are supportive of this project.

If you have any questions, please contact Joy Stewart in the Bureau of Management and Budget at 266-2159. We will be happy to provide any assistance regarding this request as needed.

Sincerely,


George Meyer
Secretary

Thank you for your continuing support for this excellent customer service project.

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

ASSEMBLY CHAIR
BEN BRANCEL

LL1, 119 Martin Luther King Jr. Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 608-266-2253



LL2, 119 Martin Luther King Jr. Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 608-266-7746

JOINT COMMITTEE ON FINANCE

March 14, 1996

Secretary George Meyer
Department of Natural Resources
101 South Webster Street
Madison, WI 53707-7921

Secretary William McCoshen
Department of Development
123 West Washington, Room 922
Madison, WI 53705-7921

Dear Honorable Gentlemen:

This is to inform you that the members of the Joint Committee on Finance have reviewed the February 15, 1996 request regarding the implementation plan for the Lake States Wood Utilization Consortium as required by 1995 Wisconsin Act 27.

No objections to this request have been raised. Accordingly, the request has been approved.

Sincerely,

A handwritten signature in cursive script that reads "Ben Brancel".

BEN BRANCEL
Assembly Chair

A handwritten signature in cursive script that reads "Tim Weeden".

TIM WEEDEN
Senate Chair

BB:TW:kc

cc: Members, Joint Committee on Finance
Linda Nelson, Department of Administration
Robert Lang, Legislative Fiscal Bureau

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

119 Martin Luther King Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

119 Martin Luther King Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

February 27, 1996

TO: Members
Joint Committee on Finance

FROM: Representative Ben Brancel, Assembly Chair
Senator Tim Weeden, Senate Chair

SUBJECT: Passive Review of the Lake States Wood Utilization Consortium Implementation Plan

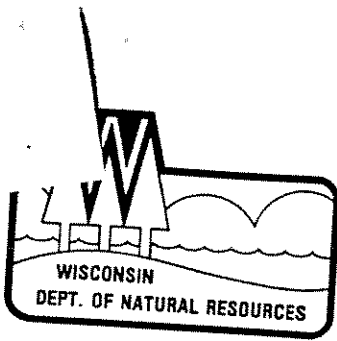
Our offices received a request from the Department of Natural Resources (DNR) and the Department of Development (DOD) on February 23, 1996, to approve the Lake States Wood Utilization Consortium implementation plan and to thereby release the associated funding. A copy of this request is attached for your review. 1995 Act 27 specified that DNR could not spend \$200,000 SEG annually for research, development and demonstration grants to enhance the forest products industry in Wisconsin and other states unless DNR received the approval of the Joint Committee on Finance under a 14-day passive review process similar to that used under s. 16.505/16.515.

Act 27 required that the plan be jointly submitted by DNR and DOD. The plan must do all of the following: (a) define the duties and responsibilities of the lake states wood utilization consortium; (b) establish an implementation committee that could include one or more representatives from DNR, DOD and the forest products industry; (c) specify eligibility requirements for the grants and criteria for awarding the grants, including how the grants would be distributed to each state participating in the consortium; (d) require matching funds or in-kind contributions by industrial recipients of the grants; (e) require the implementation committee to identify an organization that could administer and award the grants and oversee the grant program; (f) require the consortium to actively pursue funding commitments from Michigan and Minnesota of \$200,000 annually from each state for three years; and (g) require the consortium to actively pursue federal and other funding sources.

Please review this item and notify Representative Brancel's office by March 13, 1996, if you have any concerns about the request or would like the Committee to meet formally to consider it.

BB/TW/kc
Attachment

FEB 26



State of Wisconsin | DEPARTMENT OF NATURAL RESOURCES

Tommy G. Thompson, Governor
George E. Meyer, Secretary

PO Box 7921
101 South Webster Street
Madison, Wisconsin 53707-7921
TELEPHONE 608-266-2621
FAX 608-267-3579
TDD 608-267-6897

February 15, 1996

The Honorable Ben Brancel
Chair, Joint Committee on Finance
State Capitol
107 South Capitol
Madison, WI 53707

SUBJECT: Lake States Wood Utilization consortium Implementation Plan
Dear Representative Brancel:

Enclosed is the implementation plan for the Lake States Wood utilization consortium as required by 1995 Wisconsin Act 27 (budget bill) .

The implementation plan was developed by an implementation committee comprised of Terry Mace, Department of Natural Resources (DNR); John Erickson, retired-USDA Forest Product Laboratory; Paul Mikulak, Lake States Lumber Association; and Phil Albert and Terry Grosenheider, Department of Development (DOD).

You should be aware that the legislation includes a paragraph stating " If the cochairpersons of the joint committee on finance do not notify the department of natural resources within 14 working days after the date of the departments' submittal of the plan the committee has scheduled a meeting to review the plan, the plan may be implemented and moneys may be expended as proposed by the department of natural resources. If, within 14 days after the date of the departments' submittal of the plan, the cochairpersons of the committee notify the department of natural resources that the committee has scheduled a meeting to review the plan, moneys may be expended only after the plan has been approved by the committee."

We are looking forward to the implementation of the consortium.

Sincerely;

George Meyer
George Meyer
Secretary
Department of Natural Resources

William McCoshen
William McCoshen
Secretary
Department of Development



LAKE STATES WOOD UTILIZATION CONSORTIUM

IMPLEMENTATION PLAN

INTRODUCTION

The forest products industry in Michigan, Minnesota and Wisconsin is critical to the economy of these states. The industry in the three states provides jobs for 448,000 people: 228,000 direct jobs, plus 220,000 jobs indirectly related to wood processing. It has sales of over \$23 billion and creates a payroll of approximately \$5 billion. However, new technology is necessary to add value to the small-diameter and low-value timber because half of the region's net volume of the total growing stock is below 11 inches in diameter. Many segments of the forest products industry are small, privately held firms. The forest products companies generally lack resources to access the technical expertise for maintaining the region's international competitiveness. The purpose of the Lake States Wood Utilization Consortium is to provide research, development and demonstration grants to enhance the forest products industry in these states.

CONSORTIUM ORGANIZATION AND RESPONSIBILITIES

The consortium shall be composed of an executive committee and an advisory committee.

Each state that is participating in the Consortium shall have three members on the executive committee. The committee shall include: The secretaries of the respective Departments of Natural Resources and Development, or their designee; and a member of the state's forest products industry, as designated by the governor. The executive committee will meet on an as needed basis, but not less than annually. The executive committee shall conduct the following activities:

1. Develop guidelines for the consortium;
2. Review the program and its activities;
3. Make decisions on funding proposals presented to the Consortium. To the extent possible, and based on the feasibility of the projects, the consortium shall make awards equally among the participating states;
4. Appoint the members of the advisory committee;
5. Contract with the Wisconsin Department of Development to administer the grants that are awarded;
6. Pursue annual funding of \$200,000 from Michigan, Minnesota and Wisconsin for a three year period;
7. Pursue federal and other funding sources for the program;
8. Attend professional meetings of the forest products industry to provide information on the consortium and to enlist their participation; and

9. Arrange for short courses and critical issue meetings to be held to help the small- and medium-sized companies.

The advisory committee shall be composed of four representatives from each participating state, a representative of the United States Department of Agriculture-Forest Service, and the Wisconsin Department of Development, which will administer the program. The state representatives will include one member from each of the following areas: forest products industry, state government, accredited academic institution that has a background in the wood products area, and the environmental community. This committee will conduct the following activities:

1. Review applications and make funding recommendations to the executive committee;
2. Make recommendations for changes in the program to the executive committee; and
3. Conduct other activities as directed by the executive committee.

WOOD UTILIZATION GRANT PROGRAM

Purpose

The purpose of the wood utilization grant program is to:

1. Develop value-added products from manufacturing by-products and other wood waste;
2. Provide economical solutions to environmental protection; and
3. Improve the use of available timber resources.

Use of Available Funds

One-third of the available funds will be targetted for research and development projects submitted by universities, and private and federal laboratories located in the participating states for the following types of projects:

1. Formulating wood and non-wood raw materials derived from manufacturing wastes to make value-added products;
2. Evaluating the substitution of recycled materials for virgin materials in existing product lines;
3. Conducting laboratory trials to obtain high-performance composites suitable for commercial manufacturing processes;
4. Determining performance characteristics for wood and wood/non-wood composites emerging from laboratory experimentation;
5. Performing economic evaluations on the feasibility of utilizing manufacturing wastes, including estimates of the availability and transportation cost; and
6. Developing methods for reducing manufacturing wastes to forms suitable for making composites.

7. Developing methods that reduce the production of by-products and other wood wastes.

Two-thirds of the available funds will be targetted for development and pilot in-plant trials to industry and industry partnerships for the following types of projects:

1. Conducting production trials in existing processes using materials from manufacturing wastes;
2. Testing new product lines using manufacturing wastes;
3. Providing technical expertise for small forest products companies to improve processes, products and profits;
4. Providing technical expertise for small forest products companies to solve environmental problems more economically; and
5. Developing and testing of prototypes.

Grant Amounts

Applicants may receive grants of up to \$100,000. Applicants must provide a minimum of 25 percent of the total project cost. The match may include cash and in-kind contribution. The consortium may provide funding preference to those projects that have a higher percentage of match. The consortium may also require a higher match requirement to the extent that the financial documentation in the application indicates the ability on the part of the applicant to finance a greater share of the project.

Contents of the Application

The application shall include the following items:

1. The name, address, and contact person for the organizations involved in the project;
2. A description of the applicant organizations and their involvement in the forest products area;
3. Identification and significance of the problem that will be addressed and a description of the new product or process that will be the result of the project;
4. A detailed description of the tasks to be completed and the personnel and organizations that will be responsible for conducting the work;
5. A description of the relevant experience of the key personnel;
6. A timeframe for the project;
7. A detailed budget for the project showing the requested amount and the match amount. The budget should include a provision for a financial audit at the completion of the project;
8. A written agreement specifying the ownership of any patents or licenses that may result from the project;

9. A description of the potential economic benefit to the economy of the state(s) in terms of new jobs, increased productivity, expansion into new markets or the initiation of new business enterprises;
10. A description of the market for the new product or process;
11. A plan for sharing and disseminating the results of the project to appropriate industries;
12. Financial information for the business(es) involved in the project; and
13. Resumes of the management team of the business(es) involved in the project.

Evaluation of Applications

The consortium shall consider the following criteria before making a grant:

1. The scientific and technical merit of the project;
2. The ability of the individuals to perform the research;
3. The reasonableness of the budget;
4. The commercial potential of the proposed product or process;
5. The likelihood the research will result in a commercial product or process;
6. The potential economic impact of the project; and
7. The proposed plan for sharing the information across industry lines.

Administration of the Grant Award

The organization administering the grants will contract with the recipients for the completion of the project. The contract shall include, but not be limited to, the following items:

1. A list of the tasks to be performed;
2. A timetable for the completion of the tasks and the individual(s) responsible for the tasks;
3. A budget broken down by tasks and timeframe;
4. A schedule for submitting quarterly and final reports; and
5. Arrangements for periodic disbursement of funds.

This plan shall be implemented upon official agreement of the participating states.

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

119 Martin Luther King Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

119 Martin Luther King Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

March 12, 1996

Mr. James R. Klauser, Secretary
Department of Administration
101 E. Wilson Street, 10th Floor
Madison, WI 53707

Dear Secretary Klauser:

On January 22, 1996, we informed you that the Committee intended to schedule a meeting of the Committee under s. 13.10 to review a s. 16.515 request from the Department of Military Affairs for increased funding of \$142,000 PR in 1995-96 and \$156,000 PR in 1996-97 for maintenance and repair financing [s. 20.465(1)(g)].

Based on additional information and review, the concerns of the Committee have been answered and the request as described in your December 29, 1995, memorandum to the Committee is hereby approved.

Handwritten signature of Tim Weeden in cursive.

TIM WEEDEN
Senate Chair

Sincerely,

Handwritten signature of Ben Brancel in cursive.

BEN BRANCEL
Assembly Chair

TW/BB/dr

cc: Members, Joint Committee on Finance
Bob Lang

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

ASSEMBLY CHAIR
BEN BRANCEL

LL1, 119 Martin Luther King Jr. Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 608-266-2253



LL2, 119 Martin Luther King Jr. Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 608-266-7746

JOINT COMMITTEE ON FINANCE

March 8, 1996

Secretary Robert N. Brandherm
Building Commission
101 E. Wilson Street
P.O. Box 7866
Madison, WI 53707

Dear Secretary Brandherm:

This is to inform you that the members of the Joint Committee on Finance have reviewed the February 22, 1996 request pursuant to s13.48(14)(d)4 regarding a proposed sale of a parcel of surplus land.

No objections to this request have been raised. Accordingly, the request has been approved.

Sincerely,

Handwritten signature of Ben Brancel in cursive.

BEN BRANCEL
Assembly Chair

Handwritten signature of Tim Weeden in cursive.

TIM WEEDEN
Senate Chair

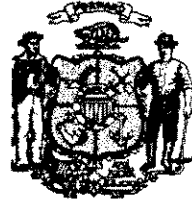
BB:TW:kc

cc: Members, Joint Committee on Finance
Robert Lang, Legislative Fiscal Bureau

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

119 Martin Luther King Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

119 Martin Luther King Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

February 27, 1996

TO: Members
Joint Committee on Finance

FROM: Representative Ben Brancel, Assembly Chair
Senator Tim Weeden, Senate Chair

Attached is a request for review of the proposed sale of three parcels of surplus property.

Pursuant to section 13.48(14)(d)4 of the statutes, the Building Commission must notify the Committee, in writing, of a proposed sale of a parcel of surplus land having a fair market value of at least \$20,000. If the Co-chairs do not notify the Building Commission of a scheduled meeting to review the sale within 14 working days, the Building Commission may sell the property. If a meeting is scheduled to review the sale, the parcels may be sold only upon approval of the Committee.

The three parcels approved for sale by the Building Commission at its February 22, 1996, meeting are:

Mendota Mental Health Center - 18 acres of vacant land for a purchase price of \$301,000.

Northern Wisconsin Center - 109 acres of vacant land for a purchase price of \$248,111.

Taycheedah Correctional Center - 111 acres of vacant land in two parcels for a combined purchase price of \$143,312.

Please review the attached material and notify Representative Brancel's office by March 8, 1996, if you would like the Committee to meet formally to consider any of the sales.

BB/TW/kc
Attachment