

# STATE OF WISCONSIN Assembly Journal

# Ninety-Fourth Regular Session

# MONDAY, December 13, 1999

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

# **AMENDMENTS OFFERED**

Assembly amendment 1 to **Assembly Bill 273** offered by committee on **State Affairs**.

Assembly substitute amendment 1 to **Assembly Bill 331** offered by committee on **State Affairs**.

Assembly amendment 1 to **Assembly Bill 583** offered by Representatives Hebl and Wasserman.

# **ADMINISTRATIVE RULES**

#### Assembly Clearinghouse Rule 99–019

Relating to the provision of universal telecommunications service and administration of the universal service fund. Submitted by Public Service Commission. Report received from Agency, December 6, 1999. To committee on **Public Health**. Referred on December 13, 1999.

### Assembly Clearinghouse Rule 99–056

Relating to control of communicable diseases. Submitted by Department of Health and Family Services. Report received from Agency, December 3, 1999. To committee on **Public Health**. Referred on December 13, 1999.

#### Assembly Clearinghouse Rule 99–106

Relating to providing eligibility under the BadgerCare 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 program under AFDC–related or SSI–related criteria.

Submitted by Department of Health and Family Services. Report received from Agency, December 2, 1999. To committee on **Children and Families**. Referred on December 13, 1999.

#### Assembly Clearinghouse Rule 99–132

Relating to the minority teacher loan program.

Submitted by Higher Educational Aids Board. Report received from Agency, December 1, 1999. To committee on **Education**. Referred on December 13, 1999.

#### Assembly Clearinghouse Rule 99–137

Relating to electronic voting. Submitted by Elections Board. Report received from Agency, November 30, 1999. To committee on **Campaigns and Elections**. Referred on December 13, 1999.

# INTRODUCTION AND REFERENCE OF PROPOSALS

Read first time and referred:

#### **Assembly Joint Resolution 94**

Relating to: commending Timothy Hoeksema for his contributions to Milwaukee and Wisconsin.

By Representatives Plale, Jeskewitz, Krug, Richards, Sinicki, Walker and Wasserman; cosponsored by Senators Grobschmidt, Burke, Darling and George.

To committee on **Rules**.

#### **Assembly Bill 617**

Relating to: requirements that social security numbers be included on license, permit and other credential applications and on certain documents concerning marriage and children.

By Representatives Schneider, Boyle, Gundrum, Gronemus, F. Lasee, Kreuser, Reynolds, Ryba and Meyerhofer; cosponsored by Senator Darling.

To committee on Judiciary and Personal Privacy.

#### **Assembly Bill 618**

Relating to: low-speed vehicles, granting rule-making authority and providing a penalty.

By Representative Brandemuehl; cosponsored by Senator Breske.

To committee on Transportation.

#### **Assembly Bill 619**

Relating to: the sales tax and the use tax on purchases made with a manufacturer's rebate.

By Representatives M. Lehman, Wood, Sykora and Ziegelbauer.

To committee on Ways and Means.

#### Assembly Bill 620

Relating to: parental liability for acts of their minor child, recovery of damages for certain criminal actions, increasing the jurisdictional amount in small claims court, powers of court commissioners, garnishment, attorney fees, exemption from execution of accounts, assignment of debt, earnings garnishment retail theft and recovery in actions involving worthless checks.

By Representatives Montgomery, Huebsch, Albers, Gard, Goetsch, Gunderson, Hasenohrl, Ladwig, Olsen, Owens, Rhoades, Seratti, Spillner, Suder, Sykora, Vrakas, Walker and Ziegelbauer; cosponsored by Senators Shibilski, Huelsman, Breske, Darling, Erpenbach, Fitzgerald, Lazich, Plache, Rude and Welch, by request of Midwest Equipment Dealers Association, Midwest Hardware Association, National Federation of Independent Business, Tavern League of Wisconsin, Wisconsin Alliance of Hearing Professionals, Wisconsin Association of Convenience Stores, Wisconsin Automobile and Truck Dealers Association, Wisconsin Automotive Parts Association, Wisconsin Automotive Trade Association, Wisconsin Civil Recovery Council, Wisconsin Collectors Association, Wisconsin Grocers Association, Wisconsin Fitness and Health Alliance, Wisconsin Independent Businesses, Inc., Wisconsin Jewelers Association, Wisconsin Merchants Federation, Wisconsin Motorcycle Dealers Association, Wisconsin Restaurant Association and Wisconsin Retail Lumber Association.

To committee on Judiciary and Personal Privacy.

#### **Assembly Bill 621**

Relating to: motor vehicle owner liability for overtaking and passing a school bus on the right.

By Representatives Sykora, Kestell, Stone, Brandemuehl, Ryba, Petrowski, Ladwig, Albers, Nass, Freese, Goetsch, Ainsworth, Miller, Pettis, Owens, Underheim, Kelso, Spillner and Ott; cosponsored by Senators Darling and Huelsman.

To committee on Highway Safety.

#### **Assembly Bill 622**

Relating to: supplemental funding for elderly nutrition programs and making appropriations.

By Representatives Sykora, Balow, Black, Brandemuehl, Freese, Gronemus, Gunderson, Handrick, Hasenohrl, Hebl, Huebsch, Hundertmark, Johnsrud, Kaufert, Kelso, Klusman, Kreibich, Ladwig, Meyerhofer, Miller, Musser, Ott, Petrowski, Plouff, Pocan, Reynolds, Rhoades, Ryba, Seratti, Skindrud, Staskunas, Turner, Underheim, Waukau, Young and Coggs; cosponsored by Senators Shibilski, Drzewiecki, Breske, Clausing, Darling, Decker, Erpenbach, Grobschmidt, Moore, Risser, Roessler, Rosenzweig and Wirch.

To committee on **Health**.

#### **COMMITTEE REPORTS**

The committee on **Transportation** reports and recommends:

#### Senate Bill 149

Relating to: the licensing of motor vehicle dealers, motor vehicle salespersons and sales finance companies and providing a penalty.

Concurrence:

Ayes: 15 – Representatives Brandemuehl, Stone, Hahn, Petrowski, Suder, Townsend, Huebsch, Leibham, Kestell, Lassa, Balow, Gronemus, Hasenohrl, Turner and Sherman. Noes: 0.

To committee on Rules.

DAVID BRANDEMUEHL Chairperson Committee on Transportation

# **SPEAKER'S COMMUNICATIONS**

December 2, 1999

Charles Sanders Assembly Chief Clerk 1 East Main Street, Suite 402 P.O. Box 8952 Madison, Wisconsin 53708

Dear Mr. Sanders:

On December 1, 1999, Clearinghouse Rule 99-117 regarding ground water and pesticide product restrictions was referred to the Assembly Committee on Natural Resources. Pursuant to Assembly Rule 13 (2) (b), I hereby withdraw Clearinghouse Rule 99-117 from the Assembly Committee on Natural Resources and re-refer that rule to the Assembly Committee on Agriculture.

Representative Johnsrud has been notified of this change and approves.

Sincerely, SCOTT R. JENSEN Assembly Speaker

#### **COMMUNICATIONS**

State of Wisconsin Revisor of Statutes Bureau Madison

- DATE: December 1, 1999
- TO: Charles Sanders Assembly Chief Clerk

Donald J. Schneider Senate Chief Clerk

- FROM: Gary L. Poulson Deputy Revisor of Statutes
- **SUBJECT:** Rules published in the November 30, 1999, Wisconsin Administrative Register, No. 527.

The following rules have been published:

Clearinghouse Rule 95–179 effective 12–1–99

Clearinghouse Rule 98–034 Clearinghouse Rule 98–090 Clearinghouse Rule 98–119 Clearinghouse Rule 98–181 Clearinghouse Rule 98–197 Clearinghouse Rule 98–205 Clearinghouse Rule 99–007 Clearinghouse Rule 99–021	effective effective effective effective effective effective effective effective	12-1-9912-1-9912-1-9912-1-9912-1-9912-1-9912-1-9912-1-99
Clearinghouse Rule 99–021 Clearinghouse Rule 99–039	effective	12-1-99
Clearinghouse Rule 99–046 Clearinghouse Rule 99–069 Clearinghouse Rule 99–085 Clearinghouse Rule 99–092	effective effective effective effective	12–1–99 12–1–99 12–1–99 12–1–99

# **REFERRAL OF AGENCY REPORTS**

State of Wisconsin Department of Administration Madison

November 29, 1999

To the Honorable, the Legislature:

This report is transmitted as required by sec. 20.002(11)(f), Wis. Stats. (for distribution to the appropriate standing committees under sec. 13.172(3), Wis. Stats.), and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative balances during the month of October 1999.

On October 1, 1999 the <u>Wisconsin Health Education Loan</u> <u>Repayment Fund</u> balance was -\$2 thousand. This shortfall increased to -\$3 thousand on October 28, 1999 and continued into the month of November. As of the date of this letter, it is expected to be resolved very soon. This shortfall is due to the timing of revenues.

On October 19, 1999 the <u>Wisconsin Petroleum Inspection</u> <u>Fund</u> balance was -\$6.6 million. This shortfall continued until October 20, 1999 when the balance reached \$3.0 million. This shortfall was due to the timing of revenues.

On October 26, 1999 the <u>Wisconsin Health Insurance Risk</u> <u>Sharing Plan Fund</u> balance was -\$49 thousand. This shortfall increased to -\$50 thousand on October 29, 1999 and continued into the month of November. As of the date of this letter, it is expected to be resolved very soon. This shortfall is due to the timing of revenues.

The Wisconsin Health Education Loan Repayment Fund, Wisconsin Petroleum Inspection Fund, and Wisconsin Health Insurance Risk Sharing Plan Fund shortfalls were not in excess of the statutory interfund borrowing limitation and did not exceed the balances of the Funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority.

Sincerely, GEORGE LIGHTBOURN Acting Secretary

Referred to committee on Ways and Means.

State of Wisconsin Wisconsin Housing and Economic Development Authority Madison

November 30, 1999

To the Honorable, the Legislature:

Pursuant to Wisconsin Statute 234.93(5), please find enclosed a report on the number of guarantees, total dollar amount of guarantees and default rates for each of the programs supported by the Wisconsin Development Reserve Fund. The report also includes Wisconsin Development Reserve Fund program activity in fiscal 1999.

Finally, the report provides information relating to jobs created/retained through the Agribusiness and Small Business Guarantee Funds during fiscal 1999, by county.

Please feel free to contact me or Jim Langdon at 266-3529 with any questions.

Sincerely, *FRITZ RUF* Executive Director

Referred to committee on **Small Business and Economic Development**.

# AGENCY REPORTS

State of Wisconsin Department of Corrections Madison

November 22, 1999

To the Honorable, the Legislature:

Attached is the first quarter report on Prison Industries for the fiscal year ending June 30, 2000, as required by Section 303.019 of the Wisconsin Statutes. This report includes the year-to-date cash balance of each industry. This report reflects private sector joint venture balances separately from the remainder of Prison Industries.

#### **Traditional Prison Industries**

Traditional Industries cash receipts for the period July 1, 1999 through September 30, 1999 were \$4,256,710. Cash expenditures for the same time period were \$4,141,155. Through the 1st quarter of this fiscal year, revenues exceeded expenditures by \$115,555.

Traditional Industries are projecting a \$150,000 profit on a cash basis for the fiscal year. On an accrual basis, a \$750,000

profit is projected for the period ending June 30, 2000. Traditional Industries will end fiscal 2000 with a cash fund balance of \$718,300.

#### **Private Sector Ventures**

Private Sector Ventures receipts for the period July 1, 1999 through September 30, 1999 were \$35,829. Cash expenditures for the same time period were \$101,177. Through the 1st quarter of this fiscal year, expenditures exceeded revenues by \$64,348. This is partially offset by accounts receivable of \$27,995.

Private Sector Ventures are projecting a \$155,000 profit on a cash basis for the fiscal year. On an accrual basis, a \$31,000 profit is projected for the period ending June 30, 2000.

The Prison Industries Board approved an amended contract with one of the private sector partners on August 11, 1999. This amendment significantly impacts on the revenues and expenditures of the project. The Department is confident that this amendment will allow the project to be profitable. However, the impact of these changes will not be reflected until the second quarterly report.

From July 1, 1999 through September 30, 1999, inmates employed by the private sector ventures contributed \$35,300 towards state and federal taxes, room and board, crime victim restitution and child support.

In viewing the cash deficit, it should also by noted that these numbers do not reflect the financial benefits realized by the State in the form of room and board payments, state and federal taxes, crime victim restitution and child support payments. From FY96, through the first quarter of FY00, the amount collected has been in excess of \$1,086,000.

The Department would by happy to respond to any questions you may have on this matter.

Sincerely, JON E. LITSCHER, SECRETARY Department of Corrections

GEORGE F. LIGHTBOURN, ACTING SECRETARY Department of Administration

State of Wisconsin Investment Board Madison

December 6, 1999

To the Honorable, the Legislature:

Annually under s. 25.17(14g) of the Statutes, the Investment Board submits a report to the Legislature on investment goals and long-term strategies. I am writing to let you know of our plan to submit this year's report in January. Although this will be after the December 31 due date, it will enable us to provide a more complete and informative report to you.

Additional review of the investment strategy for the Wisconsin Retirement System trust funds will take place at

the meeting of our Board of Trustees in mid-January. We believe that it will be helpful to reflect the outcome of that discussion in our report to you. We will also revisit strategy matters covered in the recent report by the Legislative Audit Bureau.

Please feel free to contact me if you have any questions or concerns.

Sincerely, PATRICIA LIPTON Executive Director

State of Wisconsin Department of Commerce Department of Natural Resources Madison

December 6, 1999

To the Honorable, the Legislature:

The 1999-2001 Biennial Budget contains numerous provisions impacting the operation of the Petroleum Environmental Cleanup Fund (PECFA) program. One significant provision deals with the allocation of responsibility for sites with petroleum contamination. The Budget Bill directs a determination of the risk individual sites pose to people and the environment based upon a statutory definition of what constitutes a "high risk" site. The risk level determination was to be completed by December 1, 1999, with all "low" and "medium risk" sites being transferred to the Department of Commerce by that date. The Department of Natural Resources has been working, since passage of the budget bill, to determine the risk classification for the approximately 4800 sites impacted by petroleum. The Department has met the December 1 deadline and the test of having no more than 35% of the sites classified as "high risk".

In addition to completing the site classification, four separate, joint emergency rules were to be completed within thirty (30) days of the effective date of the Budget Bill. We believe we meet the intent of many of these provisions. One of these requirements, s. 101.143(2e) Risk Based Analyses, was met through the adoption of emergency rules Comm 46 and NR 746 by both agencies. In addition, we are well along in finalizing a streamlined, more cost-effective process for administering the PECFA program, as required by s. 101.143(2)(h). We expect this new process to be finalized shortly with adoption of emergency rules to codify the processes to follow.

With respect to the requirements under s. 101.143(2)(i) and 101(2)(j), relating to procedures for evaluation remedial action plans, conditions under which employees must issue approvals, cost reporting, etc., we believe that these directives are consistent with provisions contained in Comm 46 and Comm 47 and the cost survey which is now being implemented by the Department of Commerce. Over the next few months, the Departments will be working to complete the additional detail and elements required to be included in joint administrative rules covering these topics.

We are committed to complying with the requirements of the Budget Bill and intend to address them fully. Thank you for your support and understanding as we work through these complicated issues. If you have questions regarding the current status of any of these rules, please contact John Alberts at 266-9403 or Joy Hochmuth at 267-9521.

Sincerely, BRENDA J. BLANCHARD, SECRETARY Department of Commerce GEORGE E. MEYER, SECRETARY Department of Natural Resources

State of Wisconsin Legislative Audit Bureau Madison

December 9, 1999

To the Honorable, the Legislature:

We have completed a financial and program evaluation audit of the Division of Gaming within the Department of Administration, as required by s. 13.94(1)(eg), Wis. Stats. The Division administers and regulates the State's racing, Indian gaming, and charitable gaming activities. We have issued an unqualified opinion on the Division's budgetary-based financial statements for fiscal year (FY) 1998-99 and FY 1997-98.

Revenues from pari-mutuel racing and charitable gaming have declined significantly in recent years, in part as a result of declining consumer interest in gaming. Tax revenue generated by pari-mutuel racing declined from \$4.7 million in FY 1994-95 to \$2.2 million in FY 1998-99, or by 53.2 percent. Charitable gaming revenue has decreased largely as a result of a decline in bingo tax revenues, which have fallen from \$566,000 in FY 1994-95 to \$490,000 in FY 1998-99, or by 13.4 percent.

We focused our program review on Indian gaming, both because it represents the most significant gaming activity in Wisconsin and because the State's revenues for Indian gaming will increase from \$350,000 in FY 1996-97 to an expected \$22.1 million in FY 1999-2000 as a result of renegotiated tribal gaming compacts.

Despite increases in the number of staff positions, we found that the number of field audits completed by the Office of Indian Gaming declined from 1996 through 1999. In addition, the Office has experienced backlogs in the processing of vendor certification applications. In part, these problems are the result of difficulties the Office has had in recruiting and retaining staff.

To improve its ability to monitor gaming activities, the Office plans to purchase a computerized system to monitor slot machine activity at casinos and will soon implement a new inventory system intended to maintain an up-to-date listing of gaming devices approved for use in Wisconsin casinos.

We appreciate the courtesy and cooperation extended to us by the Department of Administration. The Department's response is the Appendix.

Respectfully submitted, *JANICE MUELLER* State Auditor