

STATE OF WISCONSIN
Senate Journal
Ninety–Fourth Regular Session

WEDNESDAY, June 21, 2000

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

PETITIONS AND COMMUNICATIONS

State of Wisconsin

Department of Corrections

June 13, 2000

The Honorable, The Legislature:

Attached is the FY00 report on Prison Industries for the third quarter ending March 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 March 31, 2000 were \$14,544,947. Cash expenditures for the same time period were \$13,515,744. Through the third quarter of this fiscal year, revenues exceeded expenditures by \$1,029,203.

Traditional Industries are projecting a \$100,000 profit on a cash basis for the fiscal year. On an accrual basis, a \$700,000 profit is projected for the period ending June 30, 2000. Traditional Industries will end fiscal 2000 with a cash fund balance of \$668,300.

Private Sector Ventures

Private Sector Ventures receipts for the period July 1, 1999 through March 31, 2000 were \$332,149. Cash expenditures for the same period were \$271,000. Through the third quarter of this fiscal year, revenues exceeded expenditures by \$61,149. An additional \$46,738 in accounts receivables were also recorded.

Private Sector Ventures are projecting a \$67,000 profit on a cash basis for the fiscal year. On an accrual basis, a \$57,000 deficit 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. The changes took effect on September 1, 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. The positive impact of these changes are now starting to be realized.

In viewing the third quarter, several issues should be considered. First, the second master lease payment for the fiscal year of \$28,089 was paid by BCE. However, the payment from the private sector company will be deposited in the fourth quarter. Second, two invoices directly related to third quarter production were invoiced in April. One invoice was a rate adjustment on a specific glove style in the amount of \$4,014.

The other was for \$5,011 in set-up costs for small production runs on the Gerber cutting machine. Third, a \$2,648 program maintenance payment was not credited to the appropriation; this has been corrected in the fourth quarter. In addition, accounts receivables, excluding the master lease invoice, increased \$1,441 over the second quarter.

From July 1, 1999 through March 31, 2000, inmates employed by private sector ventures contributed \$96,300 towards state and federal taxes, room and board, crime victim restitution and child support.

In viewing the overall cash deficit, it should also be 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. Over the life of the program, this amount is in excess of \$1,147,000.

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

Sincerely,

JON E. LITSCHER

Department of Corrections

GEORGE F. LIGHTBOURN

Department of Administration

State of Wisconsin

Investment Board

June 12, 2000

The Honorable, The Legislature:

Section 25.17(14r) of the Statutes requires that the State of Wisconsin Investment Board, (SWIB) submit a report to the Joint Committee on Audit, Joint Committee on finance and the Chief Clerks of each House summarizing any change in the Board's investment policies, upon adoption of the change.

On April 5, 2000 the Board approved modifications to the Investment Policy guidelines relating to the Wisconsin Certificate of Deposit program. Attached are the modified guidelines.

Please contact me if you have any questions about this report.

Sincerely,

PATRICIA LIPTON

Executive Director

State of Wisconsin

Southeast Wisconsin Professional Baseball Park District

June 22, 2000

The Honorable, The Legislature:

Attached please find the Miller Park monthly progress report for the month of May 2000 for your review and consideration. As the enclosed report indicates, Miller Park continues to develop with the District Board's objectives of building the

premier baseball facility in the country; scheduled for play Opening Day 2001: within budget: and with strong community participation.

Please feel free to contact me if you have any questions or comments regarding the enclosed report.

Sincerely,

MICHAEL R. DUCKETT, P.E., R.L.S.

Executive Director

**State of Wisconsin
Legislative Audit Bureau**

June 20, 2000

The Honorable, The Legislature:

We have completed a review of the use of hearing officers in Wisconsin state government, as requested by the Joint Legislative Audit Committee. We estimate that in fiscal year (FY) 1998-99, the State spent an estimated \$17.3 million and employed 206.1 full-time equivalent employees – including 103.3 hearing officers – to conduct hearings and resolve contested cases related to employment, social services, corrections, discrimination, consumer protection, transportation, and licensing. Approximately 24,900 hearings were held. Two agencies – the Department of Workforce Development (DWD) and the Department of Administration's (DOA's) Division of Hearings and Appeals – account for more than 80 percent of hearing-related staff and expenditures.

Agency efforts to establish and measure performance of hearing officers have been uneven. We identified a total of 97 performance standards, most of which were established by state agencies to manage timeliness and productivity. However, only 53 of these standards were actually used to assess agency performance in holding hearings. Assessing the overall quality of hearing officer decisions is difficult. Nevertheless, one indicator of quality – the rate at which decisions are reversed on appeal – shows that most hearing officer decisions are upheld.

If the Legislature wishes to increase efficiency and reduce costs by further consolidating hearing functions, some changes to the organization of hearing officer responsibilities could be considered. However, because most hearings are already conducted by either DWD or DOA's Division of Hearings and Appeals, any cost savings that could be derived from further consolidation are likely to be limited.

We appreciate the courtesy and cooperation extended to us by the many state agencies contacted during the course of this review. Responses from DOA and DWD are appendices IV and V.

Sincerely,

JANICE MUELLER

State Auditor

**State of Wisconsin
Ethics Board**

June 20, 2000

The Honorable, The Senate:

The following lobbyists have been authorized to act on behalf of the organizations set opposite their names.

For more detailed information about these lobbyists and organizations and a complete list of organizations and people authorized to lobby the 1999 session of the legislature, visit the Ethics Board's web site at <http://ethics.state.wi.us>

Steil, Robert J. **American Medical Security**

Also available from the Wisconsin Ethics Board are reports identifying the amount and value of time state agencies have spent to affect legislative action and reports of expenditures for

lobbying activities filed by the organizations that employ lobbyists.

Sincerely,

ROTH JUDD

Director

EXECUTIVE COMMUNICATIONS

State of Wisconsin

Office of the Governor

June 9, 2000

The Honorable, The Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint KESSLER, DR. ROBERT A., of Menomonee Falls, as a member of the Nursing Home Administrator Examining Board, to serve for the initial term ending July 1, 2001, and for the full term ending July 1, 2005.

Sincerely,

TOMMY G. THOMPSON

Governor

Read and referred to committee on **Health, Utilities, Veterans and Military Affairs.**

**REFERRALS AND RECEIPT OF
COMMITTEE REPORTS CONCERNING
PROPOSED ADMINISTRATIVE RULES**

Senate Clearinghouse Rule 00-040

Relating to the exemption of attorneys seeking licensure for title insurance from certain testing requirements.

Submitted by Office of the Commissioner of Insurance.

Report received from Agency, June 15, 2000.

Referred to committee on **Insurance, Tourism, Transportation and Corrections**, June 21, 2000.

Senate Clearinghouse Rule 00-045

Relating to financial subsidiaries.

Submitted by Department of Financial Institutions.

Report received from Agency, June 19, 2000.

Referred to committee on **Privacy, Electronic Commerce and Financial Institutions**, June 21, 2000.

Senate Clearinghouse Rule 00-050

Relating to registration seals, experience requirements for professional engineers and educational requirements for land surveyors.

Submitted by Department of Regulation and Licensing.

Report received from Agency, June 15, 2000.

Referred to committee on **Economic Development, Housing and Government Operations**, June 21, 2000.

Senate Clearinghouse Rule 00-064

Relating to educational and experience requirements prior to sitting for the fundamentals examination.

Submitted by Department of Regulation and Licensing.

Report received from Agency, June 15, 2000.

Referred to committee on **Economic Development, Housing and Government Operations**, June 21, 2000.

The committee on **Human Services and Aging** reports and recommends:

Senate Clearinghouse Rule 99-161

Relating to the adoption assistance program for families that adopt children with special needs.

No action taken.

Senate Clearinghouse Rule 99-165

Relating to two-parent families under Wisconsin works.

No action taken.

Judy Robson

Chairperson

The committee on **Insurance, Tourism, Transportation and Corrections** reports and recommends:

Senate Clearinghouse Rule 00-061

Relating to annual patients compensation fund and mediation fund fees for the fiscal year beginning July 1, 2000.

No action taken.

Roger Breske

Chairperson