



# STATE OF WISCONSIN Assembly Journal

## Ninety-Fifth Regular Session

WEDNESDAY, January 10, 2001

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

### COMMUNICATIONS

State of Wisconsin  
Revisor of Statutes Bureau  
Madison

**DATE:** January 1, 2001  
**TO:** John A. Scocos  
Assembly Chief Clerk  
Donald J. Schneider  
Senate Chief Clerk  
**FROM:** Gary L. Poulson  
Deputy Revisor of Statutes  
**SUBJECT:** Rules published in the December 31, 2000,  
Wisconsin Administrative [Register, No. 540](#).

The following rules have been published:

Clearinghouse Rule 97-013	part eff.	1-1-2001
Clearinghouse Rule 98-138	effective	7-1-2001
Clearinghouse Rule 99-123	effective	1-1-2001
Clearinghouse Rule 00-002	effective	1-1-2001
Clearinghouse Rule 00-051	effective	1-1-2001
Clearinghouse Rule 00-076	effective	1-1-2001
Clearinghouse Rule 00-095	effective	1-1-2001
Clearinghouse Rule 00-086	effective	1-1-2001
Clearinghouse Rule 00-102	effective	1-1-2001
Clearinghouse Rule 00-103	effective	1-1-2001
Clearinghouse Rule 00-114	effective	1-1-2001
Clearinghouse Rule 00-116	effective	1-1-2001
Clearinghouse Rule 00-117	effective	1-1-2001
Clearinghouse Rule 00-123	effective	1-1-2001

January 10, 2001

The Honorable James Doyle  
Attorney General  
123 West Washington Avenue  
Madison, WI 53703

Dear Attorney General Doyle:

The purpose of this letter is to request an opinion of the Attorney General. The Attorney General is directed to give

opinions in writing “upon all questions of law submitted to him or her by the .....assembly committee on organization.” [s. 165.015(1), Stats.] The Assembly Committee on Organization has approved this letter.

Since at least 1915, the state has not permitted nonresidents to obtain a trapping license. The relevant statute is s. 29.241, Stats., which requires the Department of Natural Resources (DNR) to issue a trapping license to any *resident* who applies for one.

During the 1997 Legislative Session, the DNR prepared an internal agency recommendation for an amendment to this statute to allow nonresidents to trap fur-bearing animals. However, this legislation was not drafted. 1999 Assembly Bill 889 created a nonresident trapping license. This bill failed to pass.

The *first question* regarding the current statute is whether it is vulnerable to challenge under U.S. constitutional provisions regarding privileges and immunities, interstate commerce and equal protection. There are no reported cases with respect to this statute on this issue in Wisconsin.

The *second question* regarding this statute is whether the DNR has authority to make this change by adopting administrative rules, without the necessity of statutory amendment. The DNR has treated this issue as one which requires legislation. The DNR has broad rule-making authority under s. 29.014(1), Stats., which provides as follows:

**29.014 Rule-making for this chapter.** (1) The department shall establish and maintain open and closed seasons for fish and game and any bag limits, size limits, rest days and conditions governing the taking of fish and game that will conserve the fish and game supply and ensure that citizens of this state continued opportunities for good fishing, hunting and trapping.

This grant of rule-making authority stands in contrast with the specific provisions for licenses and approvals under ch. 29, Stats. It is difficult to tell whether the specific statutes constitute a legislative mandate that may be supplemented by DNR rule-making or whether the specific statutes define the full scope of DNR authority.

Enclosed with this letter is the material prepared by DNR staff in 1997. This material contains an outline of the legal arguments and a substantial list of case citations regarding nonresident hunting, fishing and trapping.

Thank you for your consideration of this request.

Sincerely,  
*SPEAKER SCOTT R. JENSEN, CHAIR*  
Assembly Committee on Organization

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## COMMITTEE APPOINTMENTS

Each committee is followed by the number of Republicans and Democrats serving on the committee, meeting day and meeting week. The ranking minority party member of each committee is designate by an asterisk.

### Aging and Long-Term Care (6, 4) Thursday (Odd)

Rhoades, Kitty (Chair)  
Pettis, Mark (Vice-chair)  
Hundertmark, Jean  
Kedzie, Neal  
Lippert, MaryAnn  
Meyer, Dan  
Krusick, Peggy \*  
Carpenter, Tim  
Travis, David  
Wasserman, Sheldon

### Agriculture (9, 7) Thursday (Even)

Ott, Alvin (Chair)  
Hahn, Eugene (Vice-chair)  
Ainsworth, John  
Bies, Garey  
Kestell, Steve  
Loeffelholz, Gabe  
Petrowski, Jerry  
Suder, Scott  
Wade, Joan  
Plouff, Joe \*  
Gronemus, Barbara  
Hubler, Mary  
Lassa, Julie  
Reynolds, Marty  
Schneider, Marlin  
Steinbrink, John

### Assembly Organization (5, 3)

Jensen, Scott (Chair)  
Foti, Steven (Vice-chair)  
Freese, Stephen  
Ladwig, Bonnie  
Vrakas, Dan  
Krug, Shirley \*  
Black, Spencer  
Bock, Peter

### Campaigns and Elections (4, 2) Thursday (Even)

Freese, Stephen (Chair)  
Ladwig, Bonnie (Vice-chair)  
Fitzgerald, Jeff  
Stone, Jeff

Travis, David \*  
Pocan, Mark

### Census and Redistricting (5, 3) Tuesday (Odd)

Ladwig, Bonnie (Chair)  
Leibham, Joseph (Vice-chair)  
Freese, Stephen  
Suder, Scott  
Walker, Scott  
Coggs, Spencer \*  
Huber, Greg  
Williams, Polly

### Children and Families (5, 3) Thursday (Even)

Kestell, Steve (Chair)  
Lippert, MaryAnn (Vice-chair)  
Bies, Garey  
Grothman, Glenn  
Jeskewitz, Suzanne  
Miller, Mark \*  
Coggs, Spencer  
Sinicki, Christine

### Colleges and Universities (6, 4) Tuesday (Odd)

Kreibich, Rob (Chair)  
Townsend, John (Vice-chair)  
Jeskewitz, Suzanne  
Krawczyk, Judy  
Rhoades, Kitty  
Underheim, Gregg  
Boyle, Frank \*  
Balow, Larry  
Berceau, Terese  
Lassa, Julie

### Corrections and the Courts (6, 4) Wednesday (Odd)

Walker, Scott (Chair)  
Suder, Scott (Vice-chair)  
Friske, Donald  
Owens, Carol  
Skindrud, Rick  
Underheim, Gregg  
Balow, Larry \*  
Coggs, Spencer  
Colon, Pedro  
Pocan, Mark

### Criminal Justice (8, 6) Wednesday (Odd)

Suder, Scott (Chair)  
Gundrum, Mark (Vice-chair)  
Bies, Garey  
Fitzgerald, Jeff  
Jeskewitz, Suzanne  
Lasee, Frank  
Loeffelholz, Gabe  
Owens, Carol  
Staskunas, Tony \*  
Boyle, Frank  
Colon, Pedro  
Sherman, Gary  
Wood, Wayne  
Young, Leon

### Economic Development (5, 3) Tuesday (Even)

Townsend, John (Chair)

Wieckert, Steve (Vice-chair)  
Fitzgerald, Jeff  
Lehman, Michael  
Lippert, MaryAnn  
Lassa, Julie \*  
Cullen, David  
Staskunas, Tony

**Education (9, 6) Tuesday (Odd)**

Olsen, Luther (Chair)  
Nass, Stephen (Vice-chair)  
Hahn, Eugene  
Hundertmark, Jean  
Kestell, Steve  
Loeffelholz, Gabe  
Rhoades, Kitty  
Townsend, John  
Wade, Joan  
Lehman, John \*  
Reynolds, Marty  
Sherman, Gary  
Sinicki, Christine  
Williams, Polly  
Ziegelbauer, Bob

**Education Reform (7, 4) Wednesday (Odd)**

Nass, Stephen (Chair)  
Olsen, Luther (Vice-chair)  
Grothman, Glenn  
Gundrum, Mark  
McCormick, Terri  
Stone, Jeff  
Underheim, Gregg  
Williams, Polly \*  
Cullen, David  
Lehman, John  
Sinicki, Christine

**Energy and Utilities (6, 4) Tuesday (Even)**

Hoven, Tim (Chair)  
Friske, Donald (Vice-chair)  
Leibham, Joseph  
Ott, Alvin  
Powers, Michael  
Vrakas, Dan  
Meyerhofer, Lee \*  
Plale, Jeff  
Schooff, Dan  
Ziegelbauer, Bob

**Environment (6, 4) Tuesday (Even)**

Kedzie, Neal (Chair)  
Johnsrud, DuWayne (Vice-chair)  
Gunderson, Scott  
Ott, Alvin  
Powers, Michael  
Vrakas, Dan  
Pocan, Mark \*  
Bock, Peter

Lehman, John  
Miller, Mark

**Family Law (4, 2) Thursday (Even)**

Owens, Carol (Chair)  
Kestell, Steve (Vice-chair)  
Friske, Donald  
Wade, Joan  
Berceau, Terese \*  
Krusick, Peggy

**Financial Institutions (9, 7) Thursday (Even)**

Jeskewitz, Sue (Chair)  
Montgomery, Phil (Vice-chair)  
Fitzgerald, Jeff  
Hoven, Tim  
Kedzie, Neal  
Kreibich, Rob  
Rhoades, Kitty  
Starzyk, Samantha  
Walker, Scott  
La Fave, John \*  
Balow, Larry  
Kreuser, James  
Plale, Jeff  
Plouff, Joe  
Richards, Jon  
Shilling, Jennifer

**Government Operations (3, 1) Wednesday (Odd)**

Wieckert, Steve (Chair)  
Loeffelholz, Gabe (Vice-chair)  
Starzyk, Samantha  
Steinbrink, John \*

**Health (10, 7) Tuesday (Even)**

Underheim, Gregg (Chair)  
Urban, Frank (Vice-chair)  
Johnsrud, DuWayne  
Krawczyk, Judy  
Lasee, Frank  
Lippert, MaryAnn  
Olsen, Luther  
Seratti, Lorraine  
Walker, Scott  
Wieckert, Steve  
Wasserman, Sheldon \*  
Carpenter, Tim  
Colon, Pedro  
La Fave, John  
Miller, Mark  
Schooff, Dan  
Shilling, Jennifer

**Highway Safety (5, 3) Wednesday (Even)**

Petrowski, Jerry (Chair)  
Bies, Garey (Vice-chair)  
Ainsworth, John  
Musser, Terry  
Urban, Frank  
Young, Leon \*  
Ryba, John  
Sherman, Gary

**Housing (5, 3) Thursday (Odd)**

Sykora, Tom (Chair)

Fitzgerald, Jeff (Vice-chair)  
Meyer, Dan  
Walker, Scott  
Wieckert, Steve  
Morris-Tatum, Johnnie \*  
Hebl, Tom  
Meyerhofer, Lee

**Insurance (7, 5) Thursday (Odd)**

Montgomery, Phil (Chair)  
Pettis, Mark (Vice-chair)  
Hoven, Tim  
Kreibich, Rob  
Lasee, Frank  
McCormick, Terri  
Wieckert, Steve  
Shilling, Jennifer \*  
Balow, Larry  
La Fave, John  
Plouff, Joe  
Richards, Jon

**Judiciary (5, 3) Thursday (Odd)**

Gundrum, Mark (Chair)  
McCormick, Terri (Vice-chair)  
Grothman, Glenn  
Montgomery, Phil  
Starzyk, Samantha  
Hebl, Tom \*  
Colon, Pedro  
Staskunas, Tony

**Labor and Workforce Development (6, 3) Wednesday (Even)**

Hundertmark, Jean (Chair)  
Vrakas, Dan (Vice-chair)  
Fitzgerald, Jeff  
McCormick, Terri  
Nass, Stephen  
Stone, Jeff  
Turner, Robert \*  
Lassa, Julie  
Meyerhofer, Lee

**Natural Resources (8, 5) Wednesday (Even)**

Johnsrud, DuWayne (Chair)  
Gunderson, Scott (Vice-chair)  
Kedzie, Neal  
Krawczyk, Judy  
Meyer, Dan  
Ott, Alvin  
Pettis, Mark  
Powers, Michael  
Gronemus, Barbara \*  
Lehman, John  
Miller, Mark  
Reynolds, Marty  
Steinbrink, John

**Personal Privacy (5, 3) Tuesday (Even)**

Powers, Michael (Chair)  
Montgomery, Phil (Vice-chair)  
Nass, Stephen

Owens, Carol  
Wade, Joan  
Sinicki, Christine \*  
Schneider, Marlin  
Shilling, Jennifer

**Public Health (5, 3) Wednesday (Even)**

Urban, Frank (Chair)  
Lippert, MaryAnn (Vice-chair)  
Freese, Stephen  
Johnsrud, DuWayne  
McCormick, Terri  
Carpenter, Tim \*  
Coggs, Spencer  
Wasserman, Sheldon

**Rules (7, 5)**

Foti, Steven (Chair)  
Jensen, Scott (Vice-chair)  
Freese, Stephen  
Grothman, Glenn  
Ladwig, Bonnie  
Owens, Carol  
Vrakas, Dan  
Krug, Shirley \*  
Black, Spencer  
Bock, Peter  
Travis, David  
Wood, Wayne

**Rural Affairs and Forestry (5, 3) Thursday (Odd)**

Ainsworth, John (Chair)  
Friske, Don (Vice-chair)  
Freese, Stephen  
Loeffelholz, Gabe  
Sykora, Tom  
Gronemus, Barbara \*  
Hubler, Mary  
Schneider, Marlin

**Small Business and Consumer Affairs (7, 5) Tuesday (Odd)**

Seratti, Lorraine (Chair)  
Krawczyk, Judy (Vice-chair)  
Friske, Don  
Gundrum, Mark  
Kestell, Steve  
Meyer, Dan  
Skindrud, Rick  
Hubler, Mary \*  
Krusick, Peggy  
Lehman, John  
Morris-Tatum, Johnnie  
Schneider, Marlin

**State Affairs (5, 3) Tuesday (Even)**

Skindrud, Rick (Chair)  
Krawczyk, Judy (Vice-chair)  
Bies, Garey  
Lehman, Michael  
Petrowski, Jerry  
Wood, Wayne \*  
Travis, David  
Young, Leon

**State and Local Finance (Select) (5, 3) Thursday (Even)**

Underheim, Gregg (Chair)  
Musser, Terry (Vice-chair)  
Leibham, Joseph  
McCormick, Terri  
Urban, Frank  
Schooff, Dan \*  
Carpenter, Tim  
Ziegelbauer, Bob

**Tax and Spending Limitations (5, 3) Wednesday (Odd)**

Lasee, Frank (Chair)  
Leibham, Joseph (Vice-chair)  
Hundertmark, Jean  
Musser, Terry  
Seratti, Lorraine  
Richards, Jon \*  
Morris-Tatum, Johnnie  
Turner, Robert

**Tourism and Recreation (6, 4) Tuesday (Odd)**

Wade, Joan (Chair)  
Meyer, Dan (Vice-chair)  
Bies, Garey  
Friske, Don  
Seratti, Lorraine  
Skindrud, Rick  
Reynolds, Marty \*  
Boyle, Frank  
Ryba, John  
Steinbrink, John

**Transportation (9, 7) Thursday (Odd)**

Stone, Jeff (Chair)  
Petrowski, Jerry (Vice-chair)  
Ainsworth, John  
Gunderson, Scott  
Hahn, Eugene  
Leibham, Joseph  
Lippert, MaryAnn  
Loeffelholz, Gabe  
Suder, Scott  
Sherman, Gary \*  
Hebl, Tom  
Meyerhofer, Lee  
Plale, Jeff  
Plouff, Joe  
Schooff, Dan  
Staskunas, Tony

**Urban and Local Affairs (4, 2) Tuesday (Odd)**

Gunderson, Scott (Chair)  
Starzyk, Samantha (Vice-chair)  
Meyer, Dan  
Musser, Terry  
Wasserman, Sheldon \*  
Berceau, Terese

**Veterans and Military Affairs (6, 4) Wednesday (Even)**

Musser, Terry (Chair)  
Hundertmark, Jean (Vice-chair)  
Krawczyk, Judy  
Petrowski, Jerry  
Sykora, Tom

Townsend, John  
Ryba, John \*  
Boyle, Frank  
Hubler, Mary  
Kreuser, James

**Ways and Means (8, 5) Wednesday (Even)**

Lehman, Michael (Chair)  
Ainsworth, John (Vice-chair)  
Jeskewitz, Suzanne  
Lasee, Frank  
Olsen, Luther  
Owens, Carol  
Starzyk, Samantha  
Sykora, Tom  
Ziegelbauer, Bob \*  
Morris-Tatum, Johnnie  
Pocan, Mark  
Turner, Robert  
Wood, Wayne

**Joint Committee for Review of Administrative Rules (3, 2)**

Grothman, Glenn (Co-chair)  
Seratti, Lorraine (Vice-chair)  
Gunderson, Scott  
Kreuser, James \*  
Turner, Robert

**Joint Committee on Audit (3, 2)**

Leibham, Joseph (Co-chair)  
Starzyk, Samantha (Vice-chair)  
Gard, John  
Cullen, David \*  
Kreuser, James

**Joint Committee on Employment Relations (3, 1)**

Jensen, Scott (Co-chair)  
Foti, Steven  
Gard, John  
Krug, Shirley \*

**Joint Committee on Finance (6, 2)**

Gard, John (Co-chair)  
Kaufert, Dean (Vice-chair)  
Albers, Sheryl  
Duff, Marc  
Huebsch, Mike  
Ward, Dave  
Huber, Greg \*  
Riley, Antonio

**Joint Committee on Information Policy and Technology (3, 2)**

Pettis, Mark (Co-chair)  
Hoven, Tim (Vice-chair)  
Montgomery, Phil  
Schneider, Marlin \*  
Kreuser, James

**Joint Committee on Legislative Organization (3, 2)**

Jensen, Scott (Co-chair)  
Foti, Steven  
Ladwig, Bonnie  
Krug, Shirley \*  
Black, Spencer

**Joint Survey Committee on Retirement Systems (2, 1)**

Vrakas, Dan (Co-chair)  
Ladwig, Bonnie (Vice-chair)  
Plale, Jeff \*

**Joint Survey Committee on Tax Exemptions (2, 1)**

Hahn, Eugene (Co-chair)  
Kedzie, Neal (Vice-chair)  
Hebl, Tom \*

those evidenced by Professor Ohm's fine model ordinance development work.

Sincerely,  
*KEVIN REILLY*  
Chancellor

*BRIAN OHM*  
Department of Urban and Regional  
Planning, University of Wisconsin -  
Madison/Extension

Referred to committee on **Natural Resources**.

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**REFERRAL OF AGENCY REPORTS**

State of Wisconsin  
Department of Health and Family Services  
Madison

December 26, 2000

To the Honorable, the Legislature:

Section [46.03\(26\)](#) of the statutes requires the Department of Health and Family Services to report annually on information systems projects under development. The annual report is a summary of the departmental systems currently under development.

Sincerely,  
*JOE LEEAN*  
Secretary

Referred to committee on **Health**.

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State of Wisconsin  
University of Wisconsin-Extension  
Madison

December 27, 2000

To the Honorable, the Legislature:

As required by section [1606m](#), [1999 Wisconsin Act 9](#), included here are model ordinances for a traditional neighborhood development and for a conservation subdivision. The principal author for these ordinances is Professor Brian Ohm, Department of Urban and Regional Planning, University of Wisconsin-Madison/Extension, with much input and support from colleagues and independent reviewers. Brian joins me as a signatory to this letter.

University of Wisconsin-Extension thanks the Wisconsin Legislature for requesting our institution to help Wisconsin communities with implementation of the Smart Growth Law. The development of these model ordinances is but one of the many educational efforts regarding land use and smart growth which UW-Extension has undertaken statewide. As communities grapple with these important issues, we look forward to helping them by providing locally relevant education using the world class educational resources such as

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State of Wisconsin  
Private Employer Health Care Coverage Board  
Madison

December 28, 2000

To the Honorable, the Legislature:

The Private Employer Health Care Coverage Board (Board) is required by statute to submit an annual report to the Governor and appropriate standing committees of the Legislature. This, the Board's first such report, covers the period from the enactment of [1999 Wisconsin Act 9](#) (October 1999) to the present. Since we were not able to obtain the services of a qualified vendor, coverage will not be available through the Program by the effective date set by the Legislature.

Please contact Phillip Borden, Director of the Office of Private Employer Health Care Coverage, if you would like additional information about the Private Employer Health Care Coverage Program or about the activities of the Private Employer Health Care Coverage Board.

Sincerely,  
*ERIC O. STANCHFIELD*  
Chair, Private Employer Health Care  
Coverage Board  
Secretary, Department of Employee Trust  
Funds

Referred to committee on **Small Business and Consumer Affairs**.

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State of Wisconsin  
Department of Agriculture, Trade and  
Consumer Protection  
Department of Natural Resources  
Madison

December 2000

To the Honorable, the Legislature:

In Wisconsin, the lake sturgeon is an important cultural and recreational fish that was once used for economic gain. Native American peoples throughout the Great Lakes and upper Mississippi River basins revered the fish as an important food source as well as a spiritual icon. European settlers used the fish for its flesh, caviar and swim bladders, which produced "isinglass," an important early additive for a

variety of products including wine and paint. Lake sturgeon stocks were nearly wiped out throughout their range due to overharvest, commercial fishing, the building of dams on spawning streams and pollution.

Wisconsin began a pro-active management of its lake sturgeon populations in 1903 with the passage of the first lake sturgeon harvest regulations, which prohibited the harvest of a fish less than 8 pounds.

Pursuant to § 95.60(6)(c), Wisconsin Statutes, the Wisconsin Department of Agriculture, Trade and Consumer Protection and the Wisconsin Department of Natural Resources conducted a review of the scientific literature, contacted experts on sturgeon biology and consulted with aquaculture authorities to compile a broad base of knowledge on lake sturgeon.

The following sections provide a summary of background information on lake sturgeon biology, current regulations and enforcement, aquaculture potential, disease and health related issues, and public sentiment, plus the pros and cons for each listed option.

Referred to committee on **Agriculture**.

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State of Wisconsin  
Gathering Waters Conservancy  
Madison

January 1, 2001

To the Honorable, the Legislature:

It is my pleasure to share with you a report on Gathering Waters' activities and accomplishments for Fiscal Year 2000. This report is being submitted in accordance with the statutory requirements (s. 23.0955(2)(b)5) of the state grant that Gathering Waters received in FY2000. Gathering Waters had an extremely successful year, thanks to the ongoing support of the state legislature and the Department of Natural Resources.

Gathering Waters started off FY2000 by adopting an ambitious strategic plan to guide our efforts over the next three years. Several staff members from the DNR participated in our strategic planning process and provided us with invaluable input into the final plan (see attached). We are proud to report that we have already made substantial progress toward our strategic goals.

We look forward to working with the Department and the state legislature on the projects outlined above and other initiatives that develop over the course of the year. Please do not hesitate to contact me for additional information. I have also attached

Gathering Waters' financial report for FY2000 for your review.

Sincerely,  
*VICKI ELKIN*  
Executive Director

Referred to committee on **Natural Resources**.

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## AGENCY REPORTS

Southeast Wisconsin  
Professional Baseball Park District  
Milwaukee

December 21, 2000

To the Honorable, the Legislature:

Enclosed please find the Miller Park Monthly Progress Report for the month of November 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 on Opening Day 2001; within budget; and with meaningful community participation.

As always, please feel free to contact me if you should have any questions or comments regarding the enclosed report.

Very truly yours,  
*MICHAEL R. DUCKETT, P.E., R.L.S.*  
Executive Director

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State of Wisconsin  
Wisconsin Housing and Economic  
Development Authority  
Madison

January 2, 2001

To the Honorable, the Legislature:

Pursuant to section 234.25, Wisconsin Statutes, the following is the Fiscal 2000 annual report of the Wisconsin Housing and Economic Development Authority (WHEDA). Please note that each of the housing programs described in the following pages are consistent with the goals, policies and objectives of the state housing plan. In addition, the report reflects Calendar 2000 data for those programs operating on a calendar year basis. The report contains the following information:

- \* Fiscal 2000 Program Activity
- \* Job Creation Report
- \* WHEDA Strategic Plan
- \* Calendar 1999 Annual Report
- \* June 30, 2000 Financial Statement

Should you have any questions or comments on this report, please call me or Jim Langdon at 266-3529. Thank you for your interest in WHEDA.

Sincerely,  
*FRITZ RUF*  
Executive Director

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State of Wisconsin  
Legislative Audit Bureau  
Madison

January 9, 2001

To the Honorable, the Legislature:

As part of our ongoing audits of the Wisconsin Works (W-2) program required by s. 49.141(2g)(a), Wis. Stats., we have completed an evaluation of Wisconsin Shares, the State's child care subsidy program. This program, which is administered by the Department of Workforce Development, was created by 1995 Wisconsin Act 289 to assist W-2 participants and other low-income working families in paying for child care.

In fiscal year (FY) 1999-2000, approximately 33,000 families and 60,500 children participated in the program at a cost of \$191.3 million in federal and state funds. FY 1999-2000 expenditures exceeded budgeted levels by \$10.2 million, primarily because of increased program participation that was, in part, the result of changes made in the 1999-2001 biennial budget expanding eligibility and reducing family copayments.

From September 1997 through June 2000, monthly program participation increased by 83.5 percent, growing from 18,671 to 34,268. It was estimated that in 1998, approximately 14

percent of eligible children participated in the program. Given that participation rates in several other midwestern states are greater than 20 percent of those eligible, there appears to be a realistic potential for continued growth in Wisconsin if more families choose to take advantage of the program and if adequate funding remains available. However, the extent of future growth is difficult to project based on the newness of the program and the numerous changes made to it since its inception.

As part of the program, the Department also administers contracts and grants designed to improve the quality and availability of child care services. We believe that improvements in the management of these types of grants are needed to ensure that \$11.4 million in increased funding that will be provided to local entities is spent appropriately. In addition, if participation increases and expenditures continue to rise substantially, the Legislature will have to consider a variety of issues related to program funding, eligibility, and benefits.

We appreciate the courtesy and cooperation extended to us by the Department of Workforce Development and staff of the local agencies we visited. The Department's response is Appendix 4.

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor