

# STATE OF WISCONSIN

# Senate Journal

## Ninety–Fifth Regular Session

WEDNESDAY, April 24, 2002

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

### PETITIONS AND COMMUNICATIONS

#### State of Wisconsin Office of the Governor

April 16, 2002

To the Honorable, the Senate:

The following bill(s), originating in the Senate, have been approved, signed and deposited in the office of the Secretary of State:

<u>Bill Number</u>	<u>Act Number</u>	<u>Date Approved</u>
<b>Senate Bill 413</b>	<b>Wisconsin Act 74</b>	April 15, 2002
<b>Senate Bill 360</b>	<b>Wisconsin Act 75</b>	April 15, 2002
<b>Senate Bill 340</b>	<b>Wisconsin Act 76</b>	April 15, 2002

Sincerely,

SCOTT MCCALLUM  
Governor

#### State of Wisconsin Office of the Governor

April 17, 2002

To the Honorable, the Senate:

The following bill(s), originating in the Senate, have been approved, signed and deposited in the office of the Secretary of State:

<u>Bill Number</u>	<u>Act Number</u>	<u>Date Approved</u>
<b>Senate Bill 247</b>	<b>Wisconsin Act 79</b>	April 17, 2002
<b>Senate Bill 250</b>	<b>Wisconsin Act 82</b>	April 17, 2002

Sincerely,

SCOTT MCCALLUM  
Governor

#### State of Wisconsin Office of the Governor

April 19, 2002

To the Honorable, the Senate:

The following bill(s), originating in the Senate, have been approved, signed and deposited in the office of the Secretary of State:

<u>Bill Number</u>	<u>Act Number</u>	<u>Date Approved</u>
<b>Senate Bill 178</b>	<b>Wisconsin Act 83</b>	April 18, 2002
<b>Senate Bill 415</b>	<b>Wisconsin Act 84</b>	April 18, 2002
<b>Senate Bill 88</b>	<b>Wisconsin Act 86</b>	April 18, 2002
<b>Senate Bill 116</b>	<b>Wisconsin Act 87</b>	April 18, 2002

<b>Senate Bill 393</b>	<b>Wisconsin Act 90</b>	April 18, 2002
<b>Senate Bill 378</b>	<b>Wisconsin Act 91</b>	April 18, 2002
<b>Senate Bill 330</b>	<b>Wisconsin Act 92</b>	April 18, 2002

Sincerely,

SCOTT MCCALLUM  
Governor

#### State of Wisconsin Office of the Secretary of State

To the Honorable, the Senate:

<u>Bill, Joint Reso- lution or Resolu- tion Number</u>	<u>Act Number or En- rolled Number</u>	<u>Publication Date</u>
<b>Senate Bill 176</b>	Wisconsin Act 57	April 23, 2002
<b>Senate Bill 179</b>	Wisconsin Act 58	April 23, 2002
<b>Senate Bill 367</b>	Wisconsin Act 62	April 23, 2002
<b>Senate Bill 368</b>	Wisconsin Act 63	April 23, 2002
<b>Senate Bill 369</b>	Wisconsin Act 64	April 23, 2002
<b>Senate Bill 375</b>	Wisconsin Act 65	April 23, 2002

Sincerely,

DOUGLAS LA FOLLETTE  
Secretary of State

#### State of Wisconsin Office of the Secretary of State

To the Honorable, the Senate:

<u>Bill, Joint Reso- lution or Resolu- tion Number</u>	<u>Act Number or En- rolled Number</u>	<u>Publication Date</u>
<b>Senate Bill 356</b>	Wisconsin Act 66	April 25, 2002
<b>Senate Bill 479</b>	Wisconsin Act 67	April 25, 2002
<b>Senate Bill 471</b>	Wisconsin Act 72	April 25, 2002

Sincerely,

DOUGLAS LA FOLLETTE  
Secretary of State

#### State of Wisconsin Office of the Secretary of State

To the Honorable, the Senate:

<u>Bill, Joint Reso- lution or Resolu- tion Number</u>	<u>Act Number or En- rolled Number</u>	<u>Publication Date</u>
<b>Senate Bill 413</b>	Wisconsin Act 74	April 29, 2002
<b>Senate Bill 360</b>	Wisconsin Act 75	April 29, 2002
<b>Senate Bill 340</b>	Wisconsin Act 76	April 29, 2002

Sincerely,

DOUGLAS LA FOLLETTE  
Secretary of State

**State of Wisconsin  
Office of the Secretary of State**

To the Honorable, the Senate:

<u>Bill, Joint Reso- lution or Resolu- tion Number</u>	<u>Act Number or En- rolled Number</u>	<u>Publication Date</u>
<b>Senate Bill 247</b>	Wisconsin Act 79	May 1, 2002
<b>Senate Bill 250</b>	Wisconsin Act 82	May 1, 2002

Sincerely,  
DOUGLAS LA FOLLETTE  
Secretary of State

**State of Wisconsin  
Office of the Secretary of State**

To the Honorable, the Senate:

<u>Bill, Joint Reso- lution or Resolu- tion Number</u>	<u>Act Number or En- rolled Number</u>	<u>Publication Date</u>
<b>Senate Bill 178</b>	Wisconsin Act 83	May 2, 2002
<b>Senate Bill 415</b>	Wisconsin Act 84	May 2, 2002
<b>Senate Bill 88</b>	Wisconsin Act 86	May 2, 2002
<b>Senate Bill 116</b>	Wisconsin Act 87	May 2, 2002
<b>Senate Bill 393</b>	Wisconsin Act 90	May 2, 2002
<b>Senate Bill 378</b>	Wisconsin Act 91	May 2, 2002
<b>Senate Bill 330</b>	Wisconsin Act 92	May 2, 2002

Sincerely,  
DOUGLAS LA FOLLETTE  
Secretary of State

**State of Wisconsin  
Office of the Governor**

April 10, 2002

The Honorable, The Senate:

This is to inform you that I am withdrawing the nomination of John L. Malchine as a member of the Board of Agriculture, Trade and Consumer Protection.

Mr. Malchine resigned from this position effective March 25, 2002.

Thank you for your attention to this matter.

Sincerely,  
SCOTT MCCALLUM  
Governor

**State of Wisconsin  
Department of Administration**

April 5, 2002

The Honorable, The Legislature:

I am pleased to submit the annual Minority Business report for fiscal year 2001 especially since this year's report shows many areas of positive improvements in the State of Wisconsin minority business programs.

Sincerely,  
GEORGE LIGHTBOURN  
Secretary

**State of Wisconsin  
Legislative Audit Bureau**

April 5, 2002

The Honorable, The Senate:

We have completed a financial and compliance audit of the State of Wisconsin, as requested by state agencies to meet the audit requirements of the federal Single audit Act of 1984, as amended, and the provisions of federal Office of Management

and Budget Circular A-133. In addition, the audit assists us in meeting state audit requirements under s. 13.94, Wis. Stats. The audit covers the period from July 1, 2000 through June 30, 2001.

Federal funds administered by the State have been steadily increasing over the past five years. During fiscal year (FY) 2000-01, state agencies, including the University of Wisconsin (UW) System, administered \$7.2 billion in cash and non-cash federal assistance. This is \$1.9 billion, or 35.8 percent, more than the \$5.3 billion in federal assistance state agencies administered in FY 1996-97. Five large agencies – the Department of Health and Family Services (DHFS), the Department of Workforce Development (DWD), UW System, the Department of Transportation, and the Department of Public Instruction – administered 88.1 percent of the federal financial assistance and 22 of the State's 29 major federal grant programs.

Most state agencies have complied with federal grant requirements and have taken steps to address concerns raised in prior years. We question a total of \$124,829 in costs that were inappropriately charged to federal grants and in interest earnings lost to the federal government because of delays in returning unspent federal funds. These questioned costs represent a very small portion of total federal financial assistance and are significantly less than the \$1,027,571 we questioned in our FY 1999-2000 audit.

DHFS administers some of the largest and most complex programs funded with federal funds. One such program, foster care, is typically operated by counties. However, DHFS both administers and operated the program in Milwaukee County. Milwaukee County performed foster care provider licensing services under a contract with DHFS during our audit period.

Our review identified serious internal control concerns with Milwaukee County provider licensing, payment documentation and eligibility, and other matters. For example, 3 of 11 licensing files we reviewed contained no evidence that required criminal record checks had been performed, and 7 files had missing, incomplete, or otherwise deficient materials related to licensing. We also found exceptions in 19 of the 49 Milwaukee County case files that we reviewed for documentation of payments to providers. In total, we questioned \$33,0075 in foster care payments. DHFS has already repaid the federal government for these exceptions. However, it is likely that a large portion of the approximately 6,700 other Milwaukee County case files also contain undocumented payments and other deficiencies. Because some of our findings represent a continuation of previously noted problems, and because of both an increased rate of exceptions and the potential for material questioned costs had all of the cases been tested we consider these issues to be the most serious internal control weaknesses identified during our audit.

DHFS recognizes the importance of these issues and is taking steps to resolve them. It has already contracted with a new licensing agency and has reassigned responsibility for managing foster care cases at two case-management sites.

In our FY 1999-2000 single audit report, we noted serious concerns with DWD's administration of the Vocational Rehabilitation program, including issues with third-party contracts and direct payments to clients. DWD is making progress in addressing these deficiencies. For example, it has ceased its questionable practice of requiring certain third-party contractors to bill for costs before they are incurred. In addition, DWD has developed reasonable policies to restrict direct payments to clients and is establishing a central unit to process these payments. For the current audit period, we question just \$786 in direct payments that did not meet documentation requirements.

We also questioned \$10,000 in interest the State earned at the expense of the federal government because DWD delayed returning unspent Vocational Rehabilitation program funds, and \$45,741 the State received because of errors DWD made in calculating transfers from the Temporary Assistance for Needy Families grant to the Social Services Block Grant. Other questioned costs include \$5,412 in charges and lost interest related to the student financial aid programs at UW System, and \$29,815 in excess reimbursements to school districts under the School Breakfast Program, which is administered by the Department of Public Instruction.

Our single audit report is lengthy and detailed. Therefore, we are limiting our initial distribution to those required by law to receive copies, the audited state agencies, and the federal agencies to which our findings relate. If you are interested in receiving a copy of the single audit report, please contact our office and request report 02-7. The report is also available on the Internet at [www.legis.state.wi.us/lab/windex.htm](http://www.legis.state.wi.us/lab/windex.htm).

Sincerely,

JANICE MUELLER  
State Auditor

**State of Wisconsin  
Ethics Board**

April 23, 2002

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 2001 session of the legislature, visit the Ethics Board's web site at <http://ethics.state.wi.us/>

Cottingham, Jean **Pharmaceutical Research and  
Manufacturers of America**

Dilweg, Sean **Alexander Company**

Elliott, Brian **Baxter Healthcare Corporation**

Essie, Patrick **Alexander Company**

Gagne, Bob **Orphan Medical**

Hottenroth, Theresa M **Baxter Healthcare Corporation**

Knuth, Steve **Pharmaceutical Research and  
Manufacturers of America**

McCoshen, William J **MedCath Inc**

Springer, Thomas J **Baxter Healthcare Corporation**

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 organizations that employ lobbyists.

Sincerely,

ROTH JUDD  
Director

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

**Senate Clearinghouse Rule 01-134**

Relating to a pharmacy internship program.

Submitted by Department of Regulation and Licensing.

Report received from Agency, April 19, 2002.

Referred to committee on **Health, Utilities, Veterans and  
Military Affairs**, April 24, 2002.

**Senate Clearinghouse Rule 01-143**

Relating to returns of persons other than corporations that relate to income, and sales and use tax returns.

Submitted by Department of Revenue.

Report received from Agency, April 22, 2002.

Referred to committee on **Universities, Housing, and  
Government Operations**, April 24, 2002.

**Senate Clearinghouse Rule 02-021**

Relating to the scheduling of examinations.

Submitted by Department of Regulation and Licensing.

Report received from Agency, April 17, 2002.

Referred to committee on **Health, Utilities, Veterans and  
Military Affairs**, April 24, 2002.

**Senate Clearinghouse Rule 02-029**

Relating to vehicle odometer disclosure requirements.

Submitted by Department of Transportation.

Report received from Agency, April 18, 2002.

Referred to committee on **Insurance, Tourism, and  
Transportation**, April 24, 2002.

**Senate Clearinghouse Rule 02-034**

Relating to member business loans.

Submitted by Department of Financial Institutions.

Report received from Agency, April 17, 2002.

Referred to committee on **Privacy, Electronic Commerce  
and Financial Institutions**, April 24, 2002.

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The committee on **Environmental Resources** reports and recommends:

**Senate Clearinghouse Rule 01-103**

Relating to department standards for erosion control in lakes and impoundments.

No action taken.

Jim Baumgart  
Chairperson

The committee on **Labor and Agriculture** reports and recommends:

**Senate Clearinghouse Rule 02-011**

Relating to the adjustment of thresholds for application of prevailing wage rates and payment and performance assurance requirements.

No action taken.

David Hansen  
Chairperson

The committee on **Privacy, Electronic Commerce and  
Financial Institutions** reports and recommends:

**Senate Clearinghouse Rule 02-001**

Relating to registration fees paid by persons who make or solicit consumer credit transactions.

No action taken.

**Senate Clearinghouse Rule 02-006**

Relating to stock in bank-owned banks.

No action taken.

**Senate Clearinghouse Rule 02–022**

Relating to stock in bank–owned banks.

No action taken.

Jon Erpenbach  
Chairperson

The committee on **Universities, Housing, and Government Operations** reports and recommends:

**Senate Clearinghouse Rule 01–109**

Relating to accessibility requirements for commercial buildings and structures.

No action taken.

Mark Meyer  
Chairperson

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**CHIEF CLERK’S REPORT**

The Chief Clerk records:

**Senate Bill 88**

**Senate Bill 116**

**Senate Bill 178**

**Senate Bill 247**

**Senate Bill 250**

**Senate Bill 330**

**Senate Bill 378**

**Senate Bill 393**

**Senate Bill 415**

Presented to the Governor on April 16, 2002.

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**CHIEF CLERK’S REPORT**

The Chief Clerk records:

**Senate Bill 61**

**Senate Bill 364**

Presented to the Governor on April 17, 2002.