



State of Wisconsin
2003 - 2004 LEGISLATURE

LRB-1922/P5

ALL:all:all

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

1

AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

INTRODUCTION

This bill is the "executive budget bill" under section 16.47 (1) of the statutes. It contains the governor's recommendations for appropriations for the 2003-2005 fiscal biennium.

The bill repeals and recreates the appropriation schedule in chapter 20 of the statutes, thereby setting the appropriation levels for the 2003-2005 fiscal biennium. The descriptions that follow relate to the most significant changes in the law that are proposed in the bill. In most cases, changes in the amounts of existing spending authority and changes in the amounts of bonding authority under existing bonding programs are not discussed.

For additional information concerning this bill, see the Department of Administration's publication *Budget in Brief* and the executive budget books, the Legislative Fiscal Bureau's summary document, and the Legislative Reference Bureau's drafting files, which contain separate drafts on each policy item. In most cases, the policy item drafts contain a more detailed analysis than is printed with this bill.

GUIDE TO THE BILL

As is the case for all other bills, the sections of the budget bill that affect statutes are organized in ascending numerical order of the statutes affected.

Treatments of prior session laws (styled "laws of [year], chapter" from 1848 to 1981, and "[year] Wisconsin Act" beginning with 1983) are displayed next by year of original enactment and by act number.

The remaining sections of the budget bill are organized by type of provision and, within each type, alphabetically by state agency. The first two digits of the four-digit section number indicate the type of provision:

- 91XX Nonstatutory provisions.**
- 92XX Appropriation changes.**
- 93XX Initial applicability.**
- 94XX Effective dates.**

The remaining two digits indicate the state agency to which the provision relates:

- XX01 Administration.**
- XX02 Adolescent pregnancy prevention and pregnancy services board.**
- XX03 Aging and long-term care board.**
- XX04 Agriculture, trade and consumer protection.**
- XX05 Arts board.**
- XX06 Building commission.**
- XX07 Child abuse and neglect prevention board.**
- XX08 Circuit courts.**
- XX09 Commerce.**
- XX10 Corrections.**
- XX11 Court of appeals.**
- XX12 District attorneys.**
- XX13 Educational communications board.**
- XX14 Elections board.**
- XX15 Electronic government.**
- XX16 Employee trust funds.**
- XX17 Employment relations commission.**
- XX18 Employment relations department.**
- XX19 Ethics board.**
- XX20 Financial institutions.**
- XX21 Fox River Navigational System Authority.**
- XX22 Governor.**
- XX23 Health and Educational Facilities Authority.**
- XX24 Health and family services.**
- XX25 Higher educational aids board.**
- XX26 Historical society.**
- XX27 Housing and Economic Development Authority.**
- XX28 Insurance.**
- XX29 Investment board.**
- XX30 Joint committee on finance.**
- XX31 Judicial commission.**
- XX32 Justice.**

- XX33** Legislature.
- XX34** Lieutenant governor.
- XX35** Lower Wisconsin state riverway board.
- XX36** Medical College of Wisconsin.
- XX37** Military affairs.
- XX38** Natural resources.
- XX39** Personnel commission.
- XX40** Public defender board.
- XX41** Public instruction.
- XX42** Public lands, board of commissioners of.
- XX43** Public service commission.
- XX44** Regulation and licensing.
- XX45** Revenue.
- XX46** Secretary of state.
- XX47** State fair park board.
- XX48** Supreme Court.
- XX49** Technical college system.
- XX50** Technology for educational achievement in Wisconsin board.
- XX51** Tobacco control board.
- XX52** Tourism.
- XX53** Transportation.
- XX54** Treasurer.
- XX55** University of Wisconsin Hospitals and Clinics Authority.
- XX56** University of Wisconsin Hospitals and Clinics Board.
- XX57** University of Wisconsin System.
- XX58** Veterans affairs.
- XX59** Workforce development.
- XX60** Other.

For example, for general nonstatutory provisions relating to the historical society, see SECTION 9126. For any agency that is not assigned a two-digit identification number and that is attached to another agency, see the number of the latter agency. For any other agency not assigned a two-digit identification number or any provision that does not relate to the functions of a particular agency, see number “60” (**other**) within each type of provision.

In order to facilitate amendment drafting and the enrolling process, separate section numbers and headings appear for each type of provision and for each state agency, even if there are no provisions included in that section number and heading. Section numbers and headings for which there are no provisions will be deleted in enrolling and will not appear in the published act.

Following is a list of the most commonly used acronyms appearing in the analysis.

DATCP ... Department of Agriculture, Trade and Consumer Protection
DEG Department of Electronic Government

DER Department of Employment Relations
 DETF Department of Employee Trust Funds
 DFI Department of Financial Institutions
 DHFS Department of Health and Family Services
 DMA Department of Military Affairs
 DNR Department of Natural Resources
 DOA Department of Administration
 DOC Department of Corrections
 DOJ Department of Justice
 DOR Department of Revenue
 DOT Department of Transportation
 DPI Department of Public Instruction
 DRL Department of Regulation and Licensing
 DVA Department of Veterans Affairs
 DWD Department of Workforce Development
 JCF Joint Committee on Finance
 OCI Office of the Commissioner of Insurance
 PSC Public Service Commission
 UW University of Wisconsin
 WHEHA .. Wisconsin Housing and Economic Development Authority
 WHEFA ... Wisconsin Health and Educational Facilities Authority

*** ANALYSIS FROM -0570/2 ***

AGRICULTURE

Under current law, DATCP administers the Soil and Water Resource Management Program, which provides funding for land and water resource management projects and for the construction of animal waste management systems. This bill increases the state general obligation bonding authority for the program by \$7,000,000.

*** ANALYSIS FROM -1502/1 ***

Under current law, beginning on February 1, 2004, dog and cat breeders, and persons who operate pet stores, kennels, and animal shelters must have licenses from DATCP. The law requires DATCP to specify requirements for humane care to be provided by these persons. This bill repeals the law regulating dog and cat breeders and operators of pet stores, kennels, and animal shelters.

*** ANALYSIS FROM -0310/2 ***

Current law requires a person who is licensed to manufacture or distribute fertilizer in Wisconsin to pay several fees and surcharges, including a basic fee of 30 cents per ton of fertilizer sold or distributed. This bill increases the basic fee to 45 cents per ton. Current law requires a person who is licensed to manufacture or distribute animal feed to pay a feed inspection fee of 23 cents per ton. This bill increases the feed inspection fee to 30 cents per ton.

Current law requires a person who is licensed to manufacture or label pesticides to pay a number of fees and surcharges when the person applies for a license. The license year begins on January 1. The fees and surcharges are based on sales during the 12 months ending on September 30 of the year preceding the year

for which a license is sought. Under this bill, the fees and surcharges paid by a pesticide licensee are based on sales during the 12-month period that ends on September 30 of the license year. Fees are initially based on estimated sales. At the end of the license year, the person pays any balance due based on actual sales or may request a refund for any overpayment.

Under current law, grants to counties for programs to collect waste farm chemicals and farm chemical containers are funded from the agrichemical management fund. This bill changes the source of funding for the grants to the recycling fund.

Currently, a person who is licensed to manufacture or distribute fertilizer must pay an agricultural chemical cleanup surcharge of 38 cents per ton of fertilizer sold or distributed, unless DATCP establishes a lower surcharge by rule. This bill authorizes DATCP to increase the agricultural chemical cleanup surcharge to up to 88 cents per ton.

Under the Agricultural Chemical Cleanup Program, DATCP pays a portion of the costs of cleaning up spills of agricultural chemicals. This bill reduces the reimbursement rate under the program from 80% to 75% of eligible costs.

*** ANALYSIS FROM -0419/2 ***

COMMERCE AND ECONOMIC DEVELOPMENT

BUSINESS ORGANIZATIONS AND FINANCIAL INSTITUTIONS

Under current law, any limited liability company that is organized in another state and that may operate in Wisconsin must file an annual report containing specified information with DFI. This bill requires Wisconsin limited liability companies to file a similar annual report and establishes a procedure by which DFI may administratively dissolve a Wisconsin limited liability company for violating this requirement.

*** ANALYSIS FROM -1431/2 ***

Under current law, savings banks and savings and loan associations are regulated by the Division of Savings Institutions in DFI. This bill eliminates the Division of Savings Institutions and, instead, provides that savings banks and savings and loan associations are regulated by the Division of Banking in DFI.

*** ANALYSIS FROM -0596/2 ***

Under current law, the Office of Credit Unions must conduct an annual examination of each credit union unless the office accepts an audit report of the condition of the credit union that satisfies certain conditions. This bill requires the office to conduct an examination of each credit union at least once every 18 months unless the office accepts an audit report.

*** ANALYSIS FROM -1634/6 ***

ECONOMIC DEVELOPMENT

Currently, DOA must develop a state housing strategy, administer several grant programs that provide different types of housing assistance, and administer a program governing the use of surplus, state-owned real estate. This bill transfers these responsibilities to the Department of Commerce, except that DOA must still administer the weatherization assistance for low-income persons program and the low-income energy assistance program.

***** ANALYSIS FROM -1877/2 *****

Under current law, the Department of Commerce awards grants to eligible technology-based nonprofit organizations to provide support for manufacturing extension centers. This bill repeals this grant program. Current law also authorizes similar grants to be awarded from the Wisconsin development fund. This bill repeals this authorization. This bill also reallocates \$500,000 in Indian gaming receipts currently used to fund manufacturing extension center grants to the conservation fund.

***** ANALYSIS FROM -1697/1 *****

Currently, the secretaries of commerce and administration, or their designees, serve on the Wisconsin Housing and Economic Development Authority, along with other designated members. This bill adds the secretary of agriculture, trade and consumer protection, or his or her designee, to the authority.

***** ANALYSIS FROM -1376/1 *****

Currently, under the Forestry Education Grant Program, the Department of Commerce awards grants to nonprofit organizations to develop forestry educational programs and materials for use in public schools. This bill eliminates this program.

***** ANALYSIS FROM -1769/1 *******CORRECTIONAL SYSTEM****ADULT CORRECTIONAL SYSTEM**

Under current law, DOC and DHFS operate the Drug Abuse Correctional Center (DACC) program in Winnebago, which provides substance abuse treatment for prison inmates transferred there. Under this bill, if DOC determines that a person has successfully completed the DACC program, the person must be released to parole or extended supervision, regardless of how much of his or her sentence the person has served. Inmates convicted of violent crimes or certain offenses against children are not eligible for this earned release program. Inmates who are sentenced under the "Truth in Sentencing" law are eligible only if the court authorizes their participation.

DOC currently operates a boot camp for adults who are under 30 years old and who have a substance abuse problem. Each participant must perform strenuous physical exercise and manual labor and participate in counseling, substance abuse treatment, and military drill and ceremony programs. A person who successfully completes the boot camp program is released to parole or extended supervision, regardless of how much of his or her sentence the person has served. This bill specifies that a person is eligible for boot camp if he or she is under 40 years old at the start of the program. The bill also specifies that the strenuous exercise for participants who begin the boot camp program after turning 30 years old must be age appropriate.

***** ANALYSIS FROM -1791/2 *****

Under current law, DOC operates the Racine Youthful Offender Correctional Facility, where it may confine up to 400 persons who are from 15 to 21 years old and who are sentenced to state prison. This bill authorizes DOC to place up to 450 persons at that facility and increases the upper age limit for prisoners there to 24.

***** ANALYSIS FROM -0332/1 *****

Under current law, until July 1, 2003, DOC may operate the juvenile correctional facility at Prairie du Chien as a state prison for nonviolent offenders who are not more than 21 years of age. This bill permanently converts that facility into an adult prison and lifts all restrictions regarding the age and type of prisoners who may be confined there.

***** ANALYSIS FROM -0336/P2 *****

Current law provides that, with certain exceptions, DOC must charge a fee to each person on probation, parole, or extended supervision to cover some or all of the cost of supervising the person. Current law authorizes DOC to set fees for persons subject to administrative or minimum supervision separately from its setting of fees for persons subject to more intensive supervision. This bill eliminates DOC's authority to base the fee on the level of supervision.

***** ANALYSIS FROM -0335/P1 *****

Under current law, DOC may contract with a private entity to confine a Wisconsin prisoner in a private prison in another state. Current law further provides that a person confined under such a contract is subject to the laws of the state in which the prison is located that relate to the confinement of persons in that prison. Under this bill, the contract may provide that certain laws of the state in which the person is confined do not apply to that person.

***** ANALYSIS FROM -0359/2 *****

JUVENILE CORRECTIONAL SYSTEM

Under current law relating to community youth and family aids, generally referred to as youth aids, DOC must allocate various state and federal moneys to counties to pay for state-provided juvenile correctional services and local delinquency-related and juvenile justice services. DOC charges counties for the costs of services provided by DOC according to per person daily cost assessments specified in the statutes. This bill increases most of these assessments.

***** ANALYSIS FROM -0360/2 *****

Under current law, subject to certain exceptions, case management services are reimbursable under Medical Assistance (MA) only if provided to an MA beneficiary who receives case management services from a certified case management provider in a county, city, village, or town that elects to make those services available. This bill permits DOC to elect to provide case management services to an MA beneficiary who has been adjudged delinquent and placed under the supervision of DOC. Under the bill, DOC is reimbursed for the amount of allowable charges for those services under MA that is provided by the federal government and must pay the amount of allowable charges for those services under MA that is not provided by the federal government.

***** ANALYSIS FROM -0358/1 *****

Under current law, DOC is required to provide a Juvenile Boot Camp Program for juveniles who have been adjudged delinquent and placed under the supervision of DOC. This bill eliminates that program.

***** ANALYSIS FROM -0059/2 *****

COURTS AND DISTRICT ATTORNEYS

The bill increases the circuit court support services fees as follows: for cases other than small or large claim cases, from \$52 to \$67.60; for large claim cases, from \$130 to \$169; and for small claim cases, from \$39 to \$50.70.

Currently, in all criminal proceedings and in a limited number of civil proceedings, a circuit court must provide an interpreter for an indigent party or witness who has limited English proficiency. This bill requires the court, in all criminal and civil proceedings, to provide an interpreter for a party or witness who has limited English proficiency, regardless of indigence.

*** ANALYSIS FROM -1770/2 ***

Under current law, the Milwaukee County clerk of circuit court must collect a \$2 special prosecution clerks fee when most complaints initiating civil actions are filed. This bill increases this fee to \$3.50.

Under current law, a court imposes a crime laboratories and drug law enforcement assessment when it sentences a person, places a person on probation, or, in most cases, imposes a forfeiture. This bill increases the assessment from \$5 to \$7.

*** ANALYSIS FROM -1789/2 ***

*** ANALYSIS FROM -1765/1 ***

This bill increases the filing fees in court of appeals and supreme court appeals from \$150 to \$195.

*** ANALYSIS FROM -1373/7 ***

Under current law, district attorneys and deputy and assistant district attorneys are state employees. DOA, through its State Prosecutors Office, provides personnel, budget, and other types of management assistance to district attorney offices. With respect to individual cases, however, district attorneys have near-total discretion in deciding what cases to pursue and how to prosecute them. In working on those cases, a district attorney may request assistance from prosecutors in other counties, who may then serve in the same capacity as the district attorney who requested their assistance.

This bill creates a State Prosecutors Board, which is attached to DOA. The board consists of eight district attorneys selected by the governor who must: 1) adopt advisory guidelines for district attorneys to use in determining when criminal cases should be prosecuted or diverted for nonprosecutorial programs; 2) issue rules regarding the temporary assignment of district attorneys, deputy district attorneys, and assistant district attorneys to other counties; 3) hire and assign prosecutors for temporary placement in district attorney offices throughout the state; and 4) supervise the State Prosecutors Office.

*** ANALYSIS FROM -1792/2 ***

CRIMES

Current law requires the Sentencing Commission to collect and disseminate information about sentencing practices in criminal cases and to develop advisory sentencing guidelines for felonies to promote public safety, to reflect changes in sentencing practices, and to preserve the integrity of the criminal justice and correctional systems. (As of the date of this bill's introduction, however, the

Sentencing Commission has not adopted any sentencing guidelines.) When a court sentences a person who, on or after February 1, 2003, committed a felony, the court must consider any advisory sentencing guidelines that the Sentencing Commission develops for that offense. If the Sentencing Commission has not adopted guidelines, the court must consider any temporary advisory sentencing guidelines that were developed by the Criminal Penalties Study Committee (CPSC) for that offense. The court, however, is not required to make a sentencing decision that is consistent with applicable guidelines, and a defendant may not appeal a court's sentencing decision based on the court's decision to depart from a guideline.

Under this bill, by January 1, 2004, the Sentencing Commission must analyze whether the temporary sentencing guidelines adopted by the CPSC are adequately promoting public safety in a cost-effective manner, promoting consistency in sentencing practices, and preserving the integrity of the criminal justice and correctional systems. If the commission determines that the temporary guidelines are not adequately promoting these objectives, it must adopt mandatory sentencing guidelines for felonies and any other crimes for which a person may be sentenced to a state prison, other than those for which the penalty is life imprisonment. The mandatory sentencing guidelines for an offense must assign suggested ranges of punishment based upon the combination of offense and defendant characteristics in each case, but the range of punishment must be consistent with the penalty provided for that crime under current law.

If the commission adopts a mandatory sentencing guideline for a crime, a court, in sentencing a person convicted of that crime, must impose a sentence of the kind and within the range described in the guideline unless the court finds that there is an aggravating or mitigating factor that warrants a different sentence. In addition, the prohibition on appeals based on a departure from an advisory guideline does not apply to a departure from a mandatory guideline.

In addition, this bill requires the Sentencing Commission to adopt advisory guidelines regarding the use of alternatives to incarceration. It also detaches the commission from DOA and attaches it to DOC.

***** ANALYSIS FROM -1788/2 *****

Under current law, DOJ makes crime victim compensation awards to victims of certain crimes. In addition, when sentencing a person convicted of a crime, a judge may order the person to make restitution to the victim of the crime. If a person is ordered to make restitution to a victim of his or her crime, and the victim also received a crime victim compensation award for that crime, DOJ is entitled to be reimbursed from the restitution payments the amount it previously awarded to the crime victim.

This bill provides that restitution that is paid to DOJ as reimbursement for crime victim compensation awards must be used to fund other crime victim compensation awards. The bill also eliminates restrictions that prevent state funds from being used to pay certain parts of crime victim awards. Under this bill, either state or federal funding may be used to pay for any part of an award.

This bill appropriates funds derived from restitution paid in drug crime cases to DOJ for the purchase of drugs in investigating other drug crimes.

***** ANALYSIS FROM -1563/2 *****
EDUCATION

PRIMARY AND SECONDARY EDUCATION

Current law requires DPI, DOA, and the Legislative Fiscal Bureau to certify to JCF by May 15 of each year an estimate of the amount of general equalization aid needed, in combination with the amounts distributed to schools as categorical aids and the school levy tax credit, to fund two-thirds of statewide school costs (two-thirds funding). This bill eliminates two-thirds funding.

***** ANALYSIS FROM -1269/1 *****

Current law requires DPI to develop a high school graduation examination. Beginning on September 1, 2005, a school board or charter school may not grant a pupil a high school diploma unless the pupil satisfies criteria set by the school board or charter school, including the pupil's score on the high school graduation examination. This bill eliminates the high school graduation examination requirement and the requirement that DPI develop a high school graduation examination.

***** ANALYSIS FROM -1558/3 *****

The current state school aid formula is designed to equalize school district tax bases and thus minimize the differences among the abilities of school districts to raise revenue for educational programs. The formula establishes three guaranteed tax bases, known as guaranteed valuations, that apply to three different levels of expenditure. The primary guaranteed valuation applies to those costs that do not exceed the primary ceiling cost per pupil of \$1,000. The secondary guaranteed valuation applies to per pupil costs that exceed the primary ceiling. The tertiary guaranteed valuation applies to per pupil costs that exceed the secondary ceiling. The percentage of a school district's state-aided costs at each level of expenditure is equal to the net guaranteed valuation (the difference between the applicable guaranteed valuation and the equalized value of taxable property in the school district) divided by the applicable guaranteed valuation.

Under the school aid formula, the aid generated at the primary level is reduced by aid generated at the secondary and tertiary levels but each school district is guaranteed aid for its primary costs. This bill eliminates this guarantee of aid for primary costs for a school district whose secondary or tertiary equalized valuation exceeds its secondary or tertiary guaranteed valuation.

***** ANALYSIS FROM -1571/4 *****

Under current law, annually the state pays to each private school participating in the Milwaukee Parental Choice Program (MPCP) the lesser of the following for each pupil attending the school under MPCP:

1. The private school's cost per pupil that is related to educational programming.
2. The sum of the amount paid per pupil under the MPCP in the previous school year plus the amount of revenue increase per pupil allowed under the school district revenue limits.

Under this bill, the state pays to each participating private school the lesser of the following:

1. The private school's cost per pupil that is related to educational programming.

2. The amount paid per pupil under the MPCP in the previous school year increased by the percentage change in the amount of general school aid over the previous school year.

Under current law, annually the state pays to each independent charter school (a charter school established by the city of Milwaukee, the University of Wisconsin–Milwaukee, the University of Wisconsin–Parkside, or the Milwaukee Area Technical College), for each pupil attending the charter school, the sum of the amount paid per pupil in the previous school year plus the amount of revenue increase per pupil allowed under the school district revenue limits.

Under this bill, annually the state pays to each independent charter school, for each pupil attending the school, the sum of the amount paid per pupil in the previous school year and the amount of increase in the per pupil payment under the MPCP. The amount paid per pupil may not be less than the amount paid per pupil in the previous school year.

***** ANALYSIS FROM -1572/4 *****

Current law generally limits the increase in the total amount of revenue per pupil that a school district may receive from general school aids and property taxes in a school year to the amount of revenue increase allowed per pupil in the previous school year increased by the percentage change in the consumer price index. School districts with revenues per pupil that are below their revenue ceiling are exempt from the revenue limits. This bill increases the revenue ceiling from \$6,900 to \$7,400 in the 2003–04 school year and to \$7,800 in the 2004–05 school year.

***** ANALYSIS FROM -1599/1 *****

This bill distributes a portion of general school aid from the transportation fund.

Currently, school district professional employees are required to be placed in a collective bargaining unit that is separate from the units of other school district employees. This bill eliminates this requirement.

***** ANALYSIS FROM -1301/4 *****

This bill reduces the number of vocational education consultants that DPI must employ from 11 to 5.5.

***** ANALYSIS FROM -0097/3 *****

Under current law, DPI pays each school district, each county children with disabilities education board (CCDEB), and each technical college district \$100 for each pupil who completes a DPI–approved course in driver education. This bill provides that, if the amount appropriated is more than enough to provide \$100 per pupil, DPI must distribute the balance to eligible school districts, CCDEBs, and technical college districts on a prorated basis.

***** ANALYSIS FROM -1281/2 *****

This bill pays a portion of state aid to public library systems from the universal service fund.

***** ANALYSIS FROM -1707/4 *****

HIGHER EDUCATION

Current law prohibits the Board of Regents (board) of the UW System from increasing resident undergraduate tuition beyond an amount sufficient to fund certain specified functions.

This bill prohibits the board from increasing resident undergraduate tuition for a student enrolled at UW–Madison or UW–Milwaukee by more than \$350 a semester in the 2003–04 and the 2004–05 academic years and for a student enrolled at any other UW System institution by more than \$250 a semester in the 2003–04 and the 2004–05 academic years. For example, if tuition for resident undergraduates at the UW–Madison in the 2002–03 academic year is \$2,000 per semester, tuition in the 2003–04 academic year may not exceed \$2,350 per semester.

*** ANALYSIS FROM -1724/2 ***

Generally, current law allows a UW System student who has been a bona fide Wisconsin resident for the 12 months preceding the beginning of a semester or session for which the student registers to pay resident, as opposed to nonresident, tuition.

This bill allows an alien who is not a legal permanent resident of the United States to pay resident, as opposed to nonresident, tuition if: 1) he or she graduated from a Wisconsin high school or received a high school graduation equivalency from Wisconsin; 2) was continuously present in Wisconsin for at least one year following the first day of attending a Wisconsin high school; and 3) enrolls in a UW System institution and provides the institution with an affidavit stating that he or she has filed or will file an application for permanent residency with the Immigration and Naturalization Service as soon as the person is eligible to do so.

*** ANALYSIS FROM -1735/6 ***

Under current law, the board awards grants, known as Lawton grants, to minority undergraduates enrolled in the UW System and awards grants to minority and disadvantaged graduate students enrolled in the UW System, and the Higher Educational Aids Board (HEAB) awards grants to undergraduates enrolled in nonprofit public institutions of higher education or tribally controlled colleges in this state. This bill supplements funding for these grant programs from moneys received by the UW System for auxiliary enterprises.

*** ANALYSIS FROM -1733/1 ***

Current law directs the Wisconsin Technical College System (WTCS) Board to award grants to district boards to develop or expand programs in occupational areas in which there is a high demand for workers and to add sections in courses in which student demand exceeds capacity. This bill eliminates both of these programs.

This bill authorizes the WTCS Board to award grants to district boards to expand health care education programs.

*** ANALYSIS FROM -0666/9 ***

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, the Technology for Educational Achievement in Wisconsin (TEACH) Board, which is attached to DOA for administrative purposes, administers certain educational technology programs, including programs under which the TEACH Board awards educational technology block grants to school districts and

juvenile secured correctional facilities; awards educational technology training and technical assistance grants to cooperative educational service agencies (CESAs) and to consortia of school districts, charter school sponsors, juvenile secured correctional facilities, public library boards, and CESAs; provides educational technology infrastructure financial assistance to school districts, charter school sponsors, and public library boards; and provides subsidized telecommunications access (an Internet data line or a video link) to various educational agencies.

This bill eliminates the TEACH Board and the position of executive director of the TEACH Board and transfers the TEACH Board's duties to DPI. The bill also eliminates educational technology block grants, educational technology training and technical assistance grants, and educational technology infrastructure financial assistance, other than forgiveness of loans previously provided. In addition, the bill permits a public museum located in this state that is accredited by the American Association of Museums or an educational center that is affiliated with such a museum to receive a subsidy for telecommunications access. The bill eliminates an annual grant of \$175,000 to the Racine Unified School District for training teachers and pupils in computers.

***** ANALYSIS FROM -1711/5 *****

Under current law, the Higher Educational Aids Board (HEAB) administers various student financial aid programs for state residents attending institutions of higher education, including Wisconsin higher education grants, talent incentive grants, tuition grants, handicapped student grants, Indian student assistance grants, minority undergraduate retention grants, teacher education loans, minority teacher loans, health education loans, nursing student loans, and academic excellence scholarships. HEAB also administers contracts with the Medical College of Wisconsin and the Marquette University School of Dentistry under which a per capita amount is paid to those institutions for each state resident enrolled at those institutions and a tuition reciprocity agreement with the state of Minnesota. This bill, effective on July 1, 2004, eliminates HEAB and the executive secretary and deputy executive secretary positions in HEAB and transfers the duties of HEAB to the Board of Regents of the UW System. The bill also eliminates a cap of \$1,800 for an academic year on the amount of a Wisconsin higher education grant.

***** ANALYSIS FROM -1676/1 *****

Under current law, HEAB must disburse \$11,670 in each fiscal year for each Wisconsin resident who is enrolled as a full-time doctor of dental surgery (D.D.S.) student at the Marquette University School of Dentistry. Current law caps the number of Wisconsin residents who may be so funded at 160. Current law also caps the tuition that the Marquette University School of Dentistry may assess a Wisconsin resident at an amount that is no more than the difference between \$11,670 and the tuition assessed a nonresident.

This bill eliminates the amount that must be disbursed for each Wisconsin resident who is enrolled as a full-time D.D.S. student at the Marquette University School of Dentistry, the cap on the number of Wisconsin residents who may be so funded, and the cap on the tuition that the Marquette University School of Dentistry may assess a Wisconsin resident.

***** ANALYSIS FROM -1263/1 *****

Current law appropriates to the Medical College of Wisconsin (Medical College), general purpose revenues for medical education, training, and research. From that appropriation, \$10,091 must be disbursed in each fiscal year for each Wisconsin resident who is paying full tuition in pursuit of a doctor of medicine (M.D.) degree from the Medical College, except that, if the amount appropriated is insufficient to pay \$10,091 per student, the payments must be disbursed on a prorated basis for each eligible student. Current law caps the number of Wisconsin residents who may be so funded. Current law also caps the tuition that the Medical College may assess a Wisconsin resident at an amount that is no more than the difference between \$10,091 and the tuition assessed a nonresident.

This bill eliminates the amount that must be disbursed for each Wisconsin resident who is paying full tuition in pursuit of an M.D. degree from the Medical College, the cap on the number of Wisconsin residents who may be so funded, and the cap on the tuition that the Medical College may assess a Wisconsin resident.

***** ANALYSIS FROM -1102/6 *******EMPLOYMENT**

Under the Municipal Employment Relations Act (MERA), if a dispute relating to a proposed collective bargaining agreement has not been settled after a reasonable period of negotiation and after mediation by the Wisconsin Employment Relations Commission (WERC), either party, or the parties jointly, may petition WERC to initiate compulsory, final, and binding arbitration with respect to any dispute relating to wages, hours, and conditions of employment. If WERC determines that an impasse exists and that arbitration is required, WERC must submit to the parties a list of seven arbitrators, from which the parties alternately strike names until one arbitrator is left. As an alternative to a single arbitrator, an arbitration panel may be formed that consists of one person selected by each party and one person selected by WERC, or a single arbitrator may be randomly selected from a list of seven names submitted by WERC. Under current law, an arbitrator or arbitration panel must adopt the final offer of one of the parties on all disputed issues, which is then incorporated into the collective bargaining agreement.

This process, however, does not apply to a dispute over economic issues involving a collective bargaining unit consisting of school district professional employees if WERC determines that the employer has submitted a qualified economic offer (QEO). Under current law, a QEO consists of a proposal to maintain the employees' existing fringe benefits, and the employer's contribution thereto, and to provide for an annual average salary increase having a cost to the employer at least equal to 2.1% of the existing total compensation and fringe benefit costs for the employees in the collective bargaining unit plus certain fringe benefit savings.

Currently, in school districts, MERA requires that the parties engage in good faith bargaining on all matters related to wages, hours, and conditions of employment. This bill requires the employer to bargain collectively with respect to education policy, but also provides that no dispute relating to an education policy issue is subject to interest arbitration unless all parties to the dispute agree to make such an issue subject to interest arbitration. If the employer, however, makes a

proposal that provides that employee compensation or performance expectations are linked with pupil academic performance, the labor organization may include in its single final offer for purposes of interest arbitration any proposal to meet the performance expectations, including a proposal affecting education policy.

Under MERA, in reaching a decision, the arbitrator or arbitration panel must give weight to many factors, including the lawful authority of the municipal employer, the stipulations of the parties, the interest and welfare of the public, and the financial ability of the unit of government to meet the costs of the proposed agreement, comparison of wages, hours, and conditions of employment with those of other public and private sector employees, the cost of living, the overall compensation and benefits that the employees currently receive, and other similar factors. But, under current law, the arbitrator must give greater weight to economic conditions in the jurisdiction of the employer and the greatest weight to any state law or directive that places expenditure or revenue limitations on an employer.

This bill eliminates the authorization for the arbitrator or arbitration panel to give any weight to economic conditions in the jurisdiction of the employer or to any state law or directive that places expenditure or revenue limitations on an employer and, instead, requires that the arbitrator or arbitration panel simply considers these as factors. In addition, with respect to a school district, the bill provides that the arbitrator or arbitration panel must use as a factor a determination as to which party's proposal best provides for a fundamental right to an equal opportunity for a sound basic education under article X, section 3, of the Wisconsin Constitution.

***** ANALYSIS FROM -1756/2 *****

Under current law, a person alleging discrimination in employment may file a complaint with DWD seeking such action as will effectuate the purpose of the law prohibiting employment discrimination (Fair Employment Law), including the payment of back pay, reinstatement of the employee, and the payment of compensation in lieu of reinstatement, but may not bring a civil action in circuit court seeking that action. This bill permits a person alleging discrimination in employment to bring a civil action in circuit court seeking such action as will effectuate the purpose of the Fair Employment Law.

Under current law, an employee who believes that his or her employer has violated the Family and Medical Leave Law may file a complaint with DWD seeking action to remedy the violation, including an order requiring the employer to provide the requested leave, to reinstate the employee, to provide back pay, and to pay reasonable actual attorney fees. Current law also permits an employee to bring an action in circuit court to recover damages caused by a violation of the Family and Medical Leave Law, but only after completion of an administrative proceeding concerning the violation. This bill eliminates the requirement that an administrative proceeding first be completed before an employee may bring an action in circuit court for a violation of the Family and Medical Leave Law.

Under current law, when DWD receives a complaint alleging discrimination in employment, housing, or the equal enjoyment of a public place of accommodation or a complaint alleging a violation of the Family and Medical Leave Law, DWD must investigate the complaint to determine whether there is probable cause to believe

that the discrimination or violation occurred. Under current DWD rules, if DWD finds that there is no probable cause to believe that the discrimination or violation occurred, the complainant may request a hearing on the issue by a hearing examiner. This bill eliminates the right to a hearing on the issue of probable cause and instead provides for a review by a hearing examiner based solely of DWD's record of the complaint.

***** ANALYSIS FROM -1712/4 *****

Under current law, the Wisconsin Conservation Corps (WCC) employs young adults to work on conservation and human services activities. The WCC Program is administered by the WCC Board, which may delegate its administrative responsibilities to the executive secretary of the board. This bill eliminates the WCC, the WCC Board, and the position of executive secretary of the WCC Board and, instead, requires DWD to award grants to community-based nonprofit organizations for youth employment projects that provide employment for youths 14 years of age or over, but less than 22 years of age; that encourage and develop employment and life skills, discipline, and cooperation in project participants by providing meaningful work experiences and training and educational opportunities for those participants; that pay not less than the minimum wage; and that either conserve, develop, enhance, or maintain the natural resources of this state or promote the social well-being of children, the elderly, persons with disabilities, and persons with low incomes, or both.

***** ANALYSIS FROM -1689/3 *****

Under current law, the Governor's Work-Based Learning Board (GWBLB) is required to plan, coordinate, administer, and implement certain youth apprenticeship, school-to-work, and work-based learning programs and other employment and education programs that the governor may, by executive order, assign to the GWBLB. This bill eliminates the GWBLB and transfers administration of the employment and education programs currently administered by the GWBLB to DWD. The bill also creates the Governor's Work-Based Learning Council and directs the council to oversee the planning, coordination, administration, and implementation by DWD of those programs.

***** ANALYSIS FROM -1688/2 *****

Under current law, the Wisconsin Service Corps employs young adults to work on community service activities that address the social, health, and economic needs of communities within Milwaukee County. This bill eliminates the Wisconsin Service Corps.

***** ANALYSIS FROM -1243/1 *****

Current law requires DWD to provide a Trade Masters Pilot Program to recognize advanced training and postapprenticeship achievements in three trades, crafts, or businesses, one of which must be in the industrial sector, one in the construction sector, and one in the service sector of the economy. This bill eliminates the program.

Current law requires DWD to administer an Employment Transit Assistance Program under which DWD conducts projects, or awards grants to local public bodies and mass transit systems to conduct projects, to improve access to jobs that are

located in outlying suburban and sparsely populated and developed areas that are not adequately served by a mass transit system. This bill eliminates certain requirements that currently apply to the program, including requirements that all jobs accessed by the program must pay at least \$4 per hour, that fares charged under the program may not exceed \$2 per one-way trip, and that employers of employees participating in the program must pay at least 50% of the cost per one-way trip for those employees.

***** ANALYSIS FROM -0421/3 *****

ENVIRONMENT

WATER QUALITY

Under the Clean Water Fund Program, Wisconsin makes loans at subsidized interest rates for projects to control water pollution, including sewage treatment plants. This bill sets the present value of the Clean Water Fund Program subsidies that may be provided during the 2003–05 biennium at \$92,400,000. The bill also increases the revenue bonding authority for the Clean Water Fund Program by \$259,670,000.

Under the Safe Drinking Water Loan Program, Wisconsin makes loans at subsidized interest rates to local governmental units for projects to construct or modify public water systems. This bill sets the present value of the Safe Drinking Water Loan Program subsidies that may be provided during the 2003–05 biennium at \$12,800,000.

***** ANALYSIS FROM -0430/3 *****

Under current law, DNR provides financial assistance for measures to reduce water pollution from nonpoint (diffuse) sources. This bill increases the general obligation bonding authority for nonpoint source financial assistance by \$9,546,800.

Under current law, DNR also provides financial assistance for the management of urban storm water runoff and for flood control projects. This bill increases the general obligation bonding authority for these programs by \$4,700,000.

***** ANALYSIS FROM -1546/2 *****

HAZARDOUS SUBSTANCES AND ENVIRONMENTAL CLEANUP

Under the Brownfields Grant Program, the Department of Commerce awards grants for the redevelopment of brownfields and remediation activities associated with that redevelopment. Brownfields are abandoned, idle, or underused industrial or commercial facilities or sites the expansion or redevelopment of which is adversely affected by actual or perceived environmental contamination. Also under current law, DNR awards grants to local governmental units for investigating environmental contamination; to municipalities for conducting cleanups of brownfields; and to local governmental units for brownfields remediation projects that have long-term public benefits, including the preservation of green space.

This bill eliminates the Brownfields Grant Program administered by the Department of Commerce and the grant programs related to brownfields administered by DNR. The bill establishes a new Brownfields Grant Program, under which DNR awards grants to local governmental units and private entities to determine the existence and extent of environmental contamination in brownfields

and to remove or contain environmental contamination and restore the environment at brownfields.

***** ANALYSIS FROM -1638/1 *****

Under current law, the Department of Commerce administers a program (commonly called PECFA) to reimburse owners of petroleum product storage tanks for a portion of the costs of cleaning up discharges from those tanks. This bill increases the revenue bonding authority for PECFA by \$115,000,000.

***** ANALYSIS FROM -0421/3 *****

Under the Land Recycling Loan Program, Wisconsin makes loans to political subdivisions for projects to remedy environmental contamination at sites owned by the political subdivisions where the environmental contamination has affected, or threatens to affect, groundwater or surface water. The loans are subsidized, so that recipients are not required to pay interest. This bill sets the present value of the Land Recycling Loan Program subsidies that may be provided during the 2003–05 biennium at \$12,000,000.

***** ANALYSIS FROM -1637/2 *****

Current law authorizes DNR to conduct or fund activities to remedy environmental contamination in some situations. This bill increases the authorized general obligation bonding authority to finance those activities by \$6,000,000.

***** ANALYSIS FROM -0415/2 *****

OTHER ENVIRONMENT

Current law authorizes DNR to establish fees for inspecting nonresidential asbestos demolition and renovation projects that DNR regulates. The fees may not exceed \$210 per project. This bill increases the maximum fees to \$450 or \$750, depending on the size of the project. The bill also authorizes DNR to charge separately for the costs it incurs for laboratory testing for these projects.

***** ANALYSIS FROM -1614/1 *****

Under current law, the Waste Facility Siting Board (WFSB) oversees negotiations and arbitration between local governments and persons who want to establish or expand landfills. This bill eliminates the authority of WFSB to appoint an executive director. The bill requires the Division of Hearings and Appeals, attached to DOA for administrative purposes, to provide staff to assist WFSB in performing its duties.

***** ANALYSIS FROM -1704/1 *****

GAMBLING

Currently, the administrator of the Lottery Division of DOR may determine whether lottery functions should be performed by DOR or by persons under contract with DOA. Current law, however, prohibits contracting out the entire management and operations of the state lottery and specifically prohibits contracting out financial auditing and security monitoring services. This bill authorizes the administrator to determine whether any lottery functions, other than procurement and financial auditing services, should be performed by persons under contract with DOA.

The bill also creates a process whereby the governor, upon the request of DOR, may create positions funded from lottery revenues in DOR to perform services

relating to the state lottery that are not performed by one or more persons under contract with DOA.

Current law regulating procurement for the state lottery requires separate bids to provide instant lottery ticket services and supplies and on-line services and supplies for the state lottery. This bill eliminates the requirement of separate bids.

***** ANALYSIS FROM -1825/2 *****

Currently, all revenue received by the state under Indian Gaming compacts funds gaming law enforcement, the Indian gaming operations of the Division of Gaming in DOA, and a variety of specified programs.

This bill requires that only the first \$24,352,500 received in any fiscal year under these compacts be used for these programs. Receipts that exceed this amount are available for other purposes under the bill, except that not more than \$112,000,000 may be made available during the 2003-04 fiscal year and not more than \$125,000,000 may be made available during any fiscal year thereafter.

***** ANALYSIS FROM -1303/P1 *****

HEALTH AND HUMAN SERVICES

PUBLIC ASSISTANCE

Under administrative rules promulgated by DHFS, persons with family incomes at or above 300% of the federal poverty line must contribute a certain percentage of their family incomes for the cost of their medical treatment before assistance will be provided under the Chronic Disease Aids Program, which provides financial assistance for the cost of medical care for the treatment of chronic kidney disease, cystic fibrosis, and hemophilia to persons with those conditions. This bill increases by 0.25% the percentage of family income that a family must contribute under the rules. In addition, the bill requires DHFS to promulgate rules requiring persons with family incomes at or above 200% of the federal poverty line to contribute a certain percentage of their family incomes for the cost of their medical treatment before assistance will be provided under the program.

The administrative rules currently require a person receiving benefits under the program to pay a \$5 copayment for a generic prescription drug and a \$10 copayment for a brand name prescription drug for which a pharmacy directly bills the program. The bill changes the copayment amount for a brand name prescription drug to \$15.

***** ANALYSIS FROM -0032/P2 *****

The bill makes three additional changes to the Chronic Disease Aids Program. The bill authorizes DHFS to use managed care methods of cost containment; eliminates the requirement that the rates paid by DHFS for services provided for the treatment of chronic kidney disease be equal to the allowable charges under the federal Medicare program and prohibits a provider from billing a patient for any difference between the amount that the state pays and the provider's charge for the service; and provides that a person may not receive benefits under the program unless, before applying, the person applies for benefits under other health care coverage programs for which he or she reasonably may be eligible.

***** ANALYSIS FROM -0190/7 *****

Under current law, county departments of social services or human services pay cemetery, funeral, and burial expenses for decedents whose estates are insufficient to pay those expenses and who received certain public assistance benefits, such as Wisconsin Works benefits or Medical Assistance (MA) benefits. The county departments are reimbursed for those payments by DWD. Under current law, DHFS contracts with county departments to administer the MA program, the Badger Care health care program, and the food stamp program and reimburses the county departments for their administration costs.

Under this bill, DHFS, instead of DWD, reimburses county departments for the payments that they make for cemetery, funeral, and burial expenses. In addition, the bill provides that DHFS reimburses county departments for their expenses incurred in determining eligibility for that program. The bill allows, rather than requires, DHFS to delegate to county departments the administrative function of determining eligibility under the MA program.

*** ANALYSIS FROM -1752/2 ***

*** ANALYSIS FROM -1256/3 ***

WISCONSIN WORKS

Wisconsin Works program

The current Wisconsin Works (W-2) program provides work experience and benefits for low-income custodial parents who are at least 18 years old, as well as job search assistance to noncustodial parents who are required to pay child support, to minor custodial parents, and to pregnant women who are not custodial parents. Also, the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, is eligible for a child care subsidy under W-2 if the parent needs child care services to participate in various educational or work activities. W-2 is administered generally by DWD, which contracts with W-2 agencies to administer the program locally. W-2 is funded with federal Temporary Assistance for Needy Families (TANF) block grant money, federal child care block grant moneys, and state general purpose revenue. In general, an individual may not participate in W-2 more than five years, which need not be continuous.

Current employment positions

The work components under W-2, called employment positions, consist of three categories: trial job, community service job, and transitional placement. Employers for all employment positions must meet criteria established by DWD and all participants in all employment positions must search for unsubsidized employment the entire time that they are participating in any W-2 employment position.

Trial jobs. When determining which employment position is the most appropriate placement for a participant, a W-2 agency must give the highest priority to trial jobs. A participant in a trial job is paid by his or her employer at least the minimum wage for every hour actually worked, but not exceeding 40 hours per week, including required education and training. The W-2 agency pays a wage subsidy of \$300 per month to a trial job employer that agrees to make a good faith effort to retain the participant as a permanent unsubsidized employee after the trial job terminates. The employer must provide worker's compensation coverage for a trial job employee. Unless the W-2 agency grants an extension, a participant may work in any one trial

job for up to three months, and for up to 24 months, which need not be consecutive, in more than one trial job.

Community service jobs. A W-2 agency must give higher priority to a community service job than to a transitional placement when placing a W-2 participant. Community service jobs are limited to projects that DWD determines will serve a useful public purpose or that will generate revenue that wholly or partially offsets the project's cost. A participant in a community service job may not work more than 30 hours per week and may be required to participate in education or training for up to ten hours per week. A participant in a community service job who works more than 20 hours per week receives from the W-2 agency a monthly grant of \$673, which is reduced if the participant works 20 or fewer hours per week. In addition, the monthly grant that a participant would receive based on the number of his or her work hours is reduced by \$5.15 for every hour of work that a participant misses without good cause. Generally, the W-2 agency must provide worker's compensation coverage for a participant in a community service job. Unless the W-2 agency grants an extension, a participant may work in any one community service job for up to six months, and for up to 24 months, which need not be consecutive, in more than one community service job.

Transitional placement. A W-2 participant may be placed in a transitional placement if he or she has been or will be incapacitated for at least 60 days, is needed at home because of the illness or incapacity of a member of his or her household, or is incapable of performing a trial job or community service job. A transitional placement may consist of work in a community rehabilitation program, a job similar to a community service job, or volunteer activities. A participant in a transitional placement may be required to work for up to 28 hours per week and to participate in education and training for up to 12 hours per week. A participant in a transitional placement may be required to participate in mental health activities, counseling or rehabilitation, or alcohol and other drug abuse treatment. A participant in a transitional placement receives from the W-2 agency a monthly grant of \$628, which is reduced by \$5.15 for every hour that a participant fails to participate in any required activity without good cause. Generally, the W-2 agency must provide worker's compensation coverage for a participant in a transitional placement. Unless the W-2 agency grants an extension, a participant may participate in a transitional placement for up to 24 months, which need not be consecutive.

New employment position

Transitional subsidized private sector jobs. This bill creates a new employment position in W-2, called a transitional subsidized private sector job. A W-2 agency must give placement in a transitional subsidized private sector job the same priority as placement in a community service job. If a W-2 agency determines that placement in either a transitional subsidized private sector job or a community service job is appropriate for a participant, the participant must be allowed to choose between the two placements. A participant who chooses placement in a transitional subsidized private sector job will be offered a choice of one or more jobs in locations that are reasonably accessible to the participant.

Employers for transitional subsidized private sector jobs must be selected by DWD in a request-for-proposals process. To be selected, an employer must show the ability to create useful transitional subsidized private sector jobs. A selected employer that employs a participant in a transitional subsidized private sector job is reimbursed by DWD for up to 100% of the employer's costs that are attributable to employing the participant, such as wages, federal social security taxes, and worker's compensation and liability insurance premiums.

Each transitional subsidized private sector job must be designed by the employer, in consultation with DWD and the W-2 agency, for the participant who is offered the job. DWD may design a transitional subsidized private sector job that allows a participant to work in supported employment or to care for a severely disabled child or other relative. Each transitional subsidized private sector job must provide 25 to 30 hours of work per week. A participant in a transitional subsidized private sector job is an employee of his or her employer for all purposes and must be paid at least the federal minimum wage by the employer. DWD may require that a participant in a transitional subsidized private sector job be given a sick leave benefit.

After a participant has been working satisfactorily in a transitional subsidized private sector job for at least two weeks, the participant and W-2 agency, in consultation with the employer, may enter into an agreement allowing the participant to enroll in education or training to acquire skills leading to unsubsidized employment, reducing the participant's hours in the transitional subsidized private sector job to 15 to 20 hours, and requiring the W-2 agency to pay the participant a stipend equal to 90% of what the participant would have earned in the transitional subsidized private sector job if his or her hours had not been reduced.

Unless the W-2 agency grants an extension, a participant may work in any one transitional subsidized private sector job for up to six months, and for up to 24 months, which need not be consecutive, in more than one transitional subsidized private sector job. A participant in a transitional subsidized private sector job may be terminated by his or her employer for misconduct, failure to perform work satisfactorily, or repeated unexcused absences. A participant may also be terminated from a transitional subsidized private sector job by the W-2 agency for not making a good faith effort to seek unsubsidized employment. In either case, a participant who believes that he or she was wrongfully terminated may appeal the termination to DWD.

Caretaker of newborn infant program change and studies

Under current law, a person who meets the eligibility requirements for W-2 and who is the custodial parent of a child who is 12 weeks old or younger may receive a monthly grant of \$673 and may not be required to participate in a W-2 employment position. This bill increases the maximum age of the child so that the custodial parent of a child who is six months old or younger may receive the monthly grant and may not be required to participate in an employment position.

The bill directs DWD to conduct a study to determine the best ways to assist low-income custodial parents and other at-risk low-income adults in getting and keeping a job. DWD must submit a report with its findings and recommendations

to the governor and legislature. The bill also directs DWD to investigate ways in which federal funding other than TANF block grants can be used to create a seamless system of employment and education training services for low-income adults in Wisconsin and to submit a report on its findings to DOA.

***** ANALYSIS FROM -0229/2 *****

Under current law, DWD certifies to DOR any overpayment of food stamp benefits or various benefits under W-2 for recovery as a setoff against any income tax refund owed to the person who received the overpayment. Also under current law, DWD makes job access loans to persons who are eligible for W-2 to enable them to obtain or continue employment.

This bill authorizes DWD to certify delinquent job access loan repayments to DOR for setoff against any income tax refund owed to the person who received the loan. Delinquent repayment amounts collected by DOR and paid to DWD must be used to make more job access loans.

***** ANALYSIS FROM -0194/9 *****

MEDICAL ASSISTANCE

Under current law, the MA trust fund (MATF) consists of all public funds for MA nursing home payments that are transferred to the MATF as the nonfederal share for the purpose of claiming federal moneys, and of all the matching moneys received in return under the federal MA program (commonly known as Medicaid). Counties that make these transfers to the MATF are reimbursed by DHFS from the general fund.

This bill appropriates money from the MATF to reimburse counties for the moneys the counties transferred to the state in support of MA payment for nursing home services and that were used as the nonfederal share of MA payments.

Currently, under a waiver of federal Medicaid laws, DHFS administers a community integration program (commonly known as CIP IA) under which MA recipients who reside in state centers for the developmentally disabled are relocated into their communities and provided home and community-based services. DHFS administers another similar community integration program (commonly known as "CIP IB"), under which persons with developmental disabilities who are relocated from institutions other than state centers for the developmentally disabled or who meet requirements for the care provided in intermediate care facilities for the mentally retarded or brain injury rehabilitation facilities are relocated into their communities.

This bill appropriates the moneys received from counties to provide supplemental MA program benefits for CIP IA and CIP IB, emergency medical transportation services, alcohol and other drug abuse and mental health treatment and services, and school medical services, as part of a claim for federal Medicaid matching moneys. The moneys counties must pay are related to the federal share of rate increases for CIP IA and CIP IB beginning in 2001, the federal share of rate increases for alcohol and other drug abuse and mental health treatment and services beginning in 2003, and the moneys paid in support of the claim for federal Medicaid matching moneys. If the amount received by DHFS exceeds payments for services, the excess must be transferred to the MATF. The bill annually decreases the total

amount paid to school districts for special education by the amount of the supplementary payment for MA school-based services received. In addition, the bill expands the MATF to include moneys that are related to any MA service. Lastly, the bill authorizes DHFS to award grants to counties from the MATF for mental health community support programs and to distribute to counties and local health departments from the MATF an amount equal to the amount that was distributed in 2002 to reduce operating deficits.

***** ANALYSIS FROM -0209/2 *****

Under current law, persons who apply for admission to nursing homes, state centers for the developmentally disabled, or institutions for mental diseases, including persons who are found by a court to be in need of protective services and are protectively placed, must be screened to determine if they have a developmental disability or mental illness and need facility care and active treatment. Residents of these facilities who have a developmental disability or mental illness and significant changes in their physical or mental conditions must also be screened to determine if they need facility care or active treatment. Persons who are not in need of facility care must be relocated. Currently, counties must provide the portion of the MA program payment that is not provided by the federal government for services to individuals in state centers for the developmentally disabled who are also mentally ill and exhibit extremely aggressive and challenging behaviors. Under CIP IB, a county that owns the institution from which a person is relocated into the community must receive approval from DHFS of a plan for delicensing a bed of the institution for the county to obtain reimbursement for the person's community care.

This bill restricts protective placements and admissions, after March 31, 2004, of persons with developmental disabilities to intermediate facilities and nursing facilities. Within 90 days after receiving written notice of the prospective placement or admission of a person with developmental disabilities in an intermediate facility, a county department of social services, human services, developmental disabilities services, or community programs must develop a plan for providing home or community-based care to the person in a noninstitutional setting. The person may not be placed in or admitted to the intermediate facility unless a court finds that placement in the community under such a plan is not in the person's best interests, or the person or his or her guardian rejects the plan. Also, a person who has been screened and found to require active treatment for developmental disability may not be placed in or admitted to a nursing facility unless his or her need for care cannot be met in an intermediate facility or under a plan for home or community care.

The bill requires that residents of state centers for the developmentally disabled who have been determined to need facility care and active treatment for developmental disability be further screened to determine whether the level of care that they require could be provided safely in an intermediate facility or under a plan for home or community care.

The bill prohibits payment of the federal portion of MA for services for a resident in a state center for the developmentally disabled who is also mentally ill and exhibits extremely aggressive and challenging behaviors unless the person receiving the services has been protectively or temporarily placed in the state center

or is placed there for emergency purposes. The bill requires that counties pay the portion of MA that is not provided by the federal government for services to persons with developmental disabilities in an intermediate care facility for the mentally retarded and, if they have been determined to need facility care, for services in a nursing facility; however, no payment of the federal portion of MA for services to these persons may be made unless they were placed in or admitted to the facility after the placing board considered a plan for home or community care and rejected the plan or found it would not meet their needs. The requirements and limitations first apply to services provided and payment made on April 1, 2004.

The bill changes laws relating to protective placement of persons who are found incompetent. Under the bill, the court must notify the appropriate county department to develop a plan for home or community care for a person about to be protectively placed and the person must be placed in a noninstitutional community setting under the plan unless the court finds that placement for home or community care would not be in the person's best interests.

***** ANALYSIS FROM -0208/2 *****

Under current law, a community integration program (commonly known as CIP II) provides home or community-based care to persons who are relocated from institutions other than the state centers for the developmentally disabled and to persons who meet MA level-of-care requirements in nursing homes.

Beginning on June 1, 2004, this bill requires a county department of human services, developmental disabilities services, or community programs of a county that participates in CIP II or CIP IB to perform a needs and costs-based assessment for nursing home residents who are eligible for but not receiving services under the program; who have received MA coverage for their nursing home care for at least 30 days; and who prefer services in the community, rather than in the nursing home. After completing the assessment, the county department must contact DHFS; if DHFS determines that costs for services for the nursing home resident are below the limit under a formula specified in the bill, or if DHFS determines that additional funding is available for above-limit costs, the county department must offer the home or community-based services to the nursing home resident. The county department must initiate the assessment before the person has resided in the nursing home for 90 days or before the cost of the resident's nursing home care has been paid for under MA for 30 days, whichever is longer, and must complete the assessment within 90 days. A county department that fails to meet these requirements and to offer home or community-based care to the resident must pay the nonfederal share of the resident's MA nursing home care unless the resident refused to participate or the assessment determined that relocation was not feasible. Beginning on January 1, 2004, DHFS is authorized to provide funding to counties from the MA trust fund to conduct these relocation activities and to provide increased funding for services to the nursing home residents who are relocated to communities.

***** ANALYSIS FROM -1486/2 *****

This bill authorizes DHFS to assess each health maintenance organization (HMO) 1% of its annual gross revenue, based on a statement that it must file with OCI annually by March 1. The assessments are deposited into the MA trust fund.

In addition, the bill requires DHFS to distribute moneys in each fiscal year from the MA trust fund to supplement MA payments to HMOs that provide services to MA recipients; to supplement payments to HMOs that provide services to recipients of Badger Care (a program of health care coverage for certain low-income children who do not reside with a parent and for certain low-income families); to assist in meeting increasing costs and more intense use of services by recipients; and to meet other reimbursement needs that DHFS identifies.

***** ANALYSIS FROM -1253/8 *****

Currently, DHFS must distribute in each fiscal year not more than \$2,256,000 in supplemental payments to rural hospitals with high use of inpatient services by patients whose care is paid for by the state or federal government, and to rural hospitals that meet certain federal MA requirements. This bill eliminates MA supplemental payments by DHFS to rural hospitals with high MA recipient use and eliminates the statutory limit on the amount of supplemental payments that DHFS must make to critical access hospitals.

***** ANALYSIS FROM -0210/4 *****

Under current law, payments to nursing homes for services to recipients under the MA program are calculated using a formula that considers certain costs of individual nursing homes, including direct care, support services, fuel and utilities, net property tax or municipal services, administrative and general costs, interest expenses, and necessary capital payments. For direct care costs, DHFS must use standards that sample nursing homes in the state, as adjusted for regional labor cost variations. For nursing homes in Douglas, Pierce, and St. Croix counties, DHFS uses a federal Medicare program hospital wage index.

This bill requires DHFS to make a flat-rate payment for MA nursing home costs, as determined by DHFS, for personal comfort supplies and allowable support service costs. Beginning July 1, 2004, the bill requires an MA flat-rate payment for support services (dietary services, environmental services, fuel and utilities, administrative and general costs) and direct care costs (personal comfort supplies, medical supplies, over-the-counter drugs and nonbillable services for ancillary nursing home personnel). Under the bill, cost-based payment will continue to be made for nonbillable direct care costs for registered nurses, licensed practical nurses, and nurse's assistants; property tax or municipal services; interest expenses; and necessary capital payments. The bill eliminates the use of a federal Medicare Program hospital wage index in calculating MA direct care costs for nursing homes in Douglas, Pierce, and St. Croix counties and requires, instead, that direct care costs for nursing homes in those counties be calculated as are direct care costs for nursing homes in other counties. The bill clarifies that "costs for property taxes and municipal services" refer to paid, rather than incurred, costs.

***** ANALYSIS FROM -1252/3 *****

Under current law, counties may transfer moneys to the state as the nonfederal share of public moneys to serve as the basis for claims for federal Medicaid matching moneys. These federal matching moneys reduce the operating deficits of county, city, village, or town nursing homes. Currently, if federal matching moneys that are related to the transfers are *not* received in a fiscal year, DHFS may distribute up to

\$37,100,000 to these facilities or a lesser amount if other federal Medicaid matching moneys are reduced. If federal matching moneys that are related to the transfers *are* received in a fiscal year, DHFS may distribute up to \$77,100,000 to these facilities and to care management organizations that contract with the facilities for services.

This bill eliminates the distinction between receipt and nonreceipt of federal matching moneys that are related to the transfers with respect to distributing moneys to reduce the operating deficits of county, city, village, or town nursing homes and, instead, authorizes DHFS to distribute up to a total of \$37,100,000 to these facilities and to care management organizations.

***** ANALYSIS FROM -1489/P2 *****

Under current law, DHFS provides health care services to eligible individuals under the MA program. Current law requires certain MA recipients to share the cost of medical services provided under MA by paying up to the maximum amount allowable under federal law. Current law also limits to \$5 per month the total amount that an MA recipient may be required to pay for prescription drugs if the recipient designates a pharmacy or pharmacist as his or her sole provider of prescription drugs.

Under this bill, MA recipients who must pay a portion of their medical services must pay a copayment of \$1 for each prescription for a generic drug and a copayment of \$3 for each prescription for a brand name drug. The bill also raises to \$12 per month the maximum amount an MA recipient may be required to pay for prescription drugs if the MA recipient designates a pharmacy or pharmacist as his or her sole provider of prescription drugs.

***** ANALYSIS FROM -1489/P2 *****

Under current law, a child or family with health care coverage under BadgerCare and with an income that is equal to or greater than 150% of the federal poverty level must contribute a percentage of income to the cost of the health care according to a schedule established by DHFS. Current law requires DHFS to submit the schedule to JCF for review and approval if the schedule requires a child or family to contribute more than 3% of the child's or family's income to the cost of health care, and JCF may not approve a schedule that requires a child or family to contribute more than 3.5% of the child's or family's income.

Under this bill, each child or member of a family with health care coverage under BadgerCare and with an income that is equal to or greater than 150% of the federal poverty level must pay a copayment of \$1 for each prescription for a generic drug and a copayment of \$3 for each prescription for a brand name drug. The bill eliminates the requirement that DHFS submit the cost-sharing schedule to JCF and prohibits DHFS from establishing or implementing a cost-sharing schedule that requires a child or family to contribute more than 5% of income to the cost of health care.

***** ANALYSIS FROM -1762/P2 *****

This bill authorizes DHFS to design and implement a program to reduce the cost of prescription drugs and to maintain high quality in prescription drug therapies. The program must include supplemental rebates under agreements with prescription drug manufacturers for prescription drugs provided to MA and Badger

Care recipients and to persons eligible under a program of prescription drug assistance to elderly persons (commonly known as Senior Care). The bill also authorizes DHFS to enter into prescription drug multi-state purchasing agreements and other agreements with prescription drug purchasers if the other state or purchaser agrees to participate in any of the activities under the program.

***** ANALYSIS FROM -0029/2 *****

Under current law, if a person who is eligible for BadgerCare or the purchase plan portion of the MA program is also eligible for health care coverage that is offered by an employer, DHFS may purchase the employer-offered health care coverage on behalf of the person if DHFS determines that purchasing the coverage will not cost more than providing the coverage under BadgerCare or MA.

Also under current law, if an employer offers health care coverage to its employees, in some cases the insurer that provides the coverage must allow an employee, or an employee's dependent, to enroll in the health care coverage plan outside the usual enrollment periods. For example, if an employee refused coverage under the employer's health care coverage plan during a previous enrollment period because the employee had other health care coverage, the employee may enroll in the employer's plan within 30 days after the other health care coverage terminates or is exhausted. Likewise, if an employee gets married or adopts a child, the employee's spouse or child may enroll in the employer's health care coverage plan during a special enrollment period that lasts for 30 days from the date of the marriage or adoption.

This bill requires an insurer that provides coverage under an employer's health care coverage plan to permit an employee, or an employee's dependent, who is eligible for but not enrolled in the employer's health care coverage plan to enroll in the employer's plan during a special, 30-day enrollment period if: 1) the employee or dependent is eligible for coverage under BadgerCare or MA; and 2) DHFS will purchase the coverage on behalf of the employee or dependent because DHFS has determined that it will not be more costly to pay the portion of the premium for which the employee is responsible under the employer's plan than to provide coverage for the employee or dependent under BadgerCare or MA. The 30-day enrollment period begins on the date on which DHFS makes the determination about the cost of the coverage.

Also under the bill, if DHFS determines that a waiver is required, DHFS must request a waiver from the federal Department of Health and Human Services to allow DHFS to require a family, as a condition of eligibility for BadgerCare, to provide verification of an employed family member's earnings; whether the employer provides health care coverage for which the family is eligible; and the amount that the employer pays, if any, towards the cost of the health care coverage. Under current law, a family with income below 185% of the poverty line is eligible for BadgerCare if the family does not have access to employer-provided health care coverage for which the employer pays at least 80% of the cost.

***** ANALYSIS FROM -0033/P2 *****

Under current law, a woman who has been screened for breast or cervical cancer under a breast and cervical cancer early detection program authorized under a

federal grant, who requires treatment for breast or cervical cancer, who is under 65 years of age, and who is not eligible for health care coverage that qualifies under a federal law as creditable coverage, (which generally includes any type of health care coverage) is eligible for MA.

This bill expands the MA eligibility based on breast or cervical cancer in two ways. First, in conformity with the interpretation of the Centers for Medicare and Medicaid Services, the requirement that the woman is being treated for breast or cervical cancer is expanded to include treatment for a precancerous condition of the breast or cervix. Second, the requirement that a woman must be ineligible for creditable coverage is changed, in conformity with a change in federal law, to exclude from consideration eligibility for a medical care program of the federal Indian Health Service or an American Indian tribal organization.

***** ANALYSIS FROM -1613/P1 *****

Under current law, a person who receives MA and who is in a public medical institution, hospital, skilled nursing facility, or intermediate care facility generally may retain \$45 per month in unearned income for personal needs and must apply any excess income toward the cost of his or her care in the institution or facility. This bill changes the amount that may be retained for personal needs to \$30 per month.

***** ANALYSIS FROM -1249/1 *****

Under current law, to qualify for MA, an applicant must meet certain income and asset limits. DHFS must exclude certain assets when determining whether an applicant meets the asset limit, including up to \$3,000 in an irrevocable burial trust. This bill decreases the limit on an irrevocable burial trust to \$1,500.

***** ANALYSIS FROM -0030/1 *****

Under current law, mental health and psychological rehabilitative services provided by a community support program to individuals with mental illness who live in the community are a covered benefit under MA. The county pays all costs for the services that are not paid by the federal government. Also covered, but only if a county elects to offer the services as a benefit, are psychosocial services provided by a community-based psychosocial service program to individuals with less severe mental illness who live in the community. A county that elects to provide the services as a benefit must pay all costs not paid by the federal government. This bill eliminates psychosocial services provided by a community-based psychosocial service program as a benefit under MA.

***** ANALYSIS FROM -1611/4 *****

Under current law, county departments of social services, human services, and developmental disabilities services, and local health departments that have incurred costs in excess of reimbursement for providing certain services to MA recipients may receive from DHFS a 60% federal Medicaid matching amount for moneys the county departments and local health departments expend to reduce operating deficits for those costs.

The bill makes these matching payments unavailable if the federal Center for Medicare and Medicaid Services approves a revised payment methodology for MA services provided by a local government. If this methodology is approved, a county department or local health department that received a distribution from DHFS of

federal Medicaid matching moneys under the program for any year after 2002 must return the moneys to DHFS.

***** ANALYSIS FROM -0094/P1 *****

Currently, DHFS must make incentive payments to counties for identifying MA applicants and recipients who have other health insurance coverage and for identifying providers of the other coverage. This bill eliminates this requirement.

***** ANALYSIS FROM -0781/P3 *****

Under current law, if a married person living in a medical institution or nursing facility or receiving long-term care through a community-based program (institutionalized spouse) is eligible for MA and his or her spouse is not also in a medical institution or nursing facility or receiving long-term care through a community-based program (community spouse), a certain amount of the couple's assets need not be used to pay for the institutionalized spouse's care and may be transferred to or retained by the community spouse. This asset amount is called the "community spouse resource allowance," which under current law is the greatest of a range of specified amounts.

To comply with a federal requirement that the community spouse resource allowance be a single amount instead of a range, this bill changes the community spouse resource allowance to \$50,000 unless the amount established in a fair hearing or by a court order is greater.

***** ANALYSIS FROM -1610/2 *****

Currently, a person whose primary disabling condition is developmental disability is eligible for the Family Care benefit (long-term care or referral) if he or she is a resident of a county or a member of a federally recognized American Indian tribe or band that operated a care management organization before July 1, 2003, is at least 18 years old, and meets functional and financial eligibility criteria.

This bill eliminates the requirement that, to be eligible for the Family Care benefit, an otherwise eligible person whose primary disabling condition is developmental disability be a resident of a county or member of a tribe or band that operated a care management organization before July 1, 2003. The bill also requires the secretary of health and family services to assess the feasibility of expanding the Family Care Program to include two additional counties and to report to the secretary of administration and the governor by July 1, 2004, concerning the feasibility and whether the expansion should be included as part of the biennial budget bill for the 2005–07 fiscal biennium.

***** ANALYSIS FROM -0093/P2 *****

Current law authorizes DHFS to determine the date on which the functionality criteria for Family Care eligibility first apply to applicants for the Family Care benefit who are not MA recipients, but the date may not be later than January 1, 2004. This bill changes the date to be not later than January 1, 2006, but, before the determined date, persons who are not eligible for MA may receive the Family Care benefit if funding is available.

***** ANALYSIS FROM -0115/1 *****

CHILDREN

Under current law, the state receives reimbursement under Title IV-E of the federal Social Security Act (generally referred to as IV-E funds) for costs incurred by the state and the counties relating to foster care and the adoption of children. DHFS distributes IV-E funds as community aids to counties for providing social services to children and families. If, at the end of any year, excess IV-E funds remain, DHFS must carry forward to the next year those excess IV-E funds and distribute not less than 50% of those excess IV-E funds to counties other than Milwaukee County that are making a good faith effort to implement the statewide automated child welfare information system for services and projects to assist children and families. This bill requires DHFS to reduce by 50% the amount of excess IV-E funds distributed to a county if, at the end of any year, the county is not using a centralized unit contracted for by DHFS to determine if the cost of providing care for a child is eligible for IV-E reimbursement.

*** ANALYSIS FROM -0116/2 ***

Under current law, certain federal revenues are appropriated to DHFS for distribution to counties for social, mental health, developmental disabilities, and alcohol and other drug abuse services. This bill appropriates for distribution to counties, as community aids, all federal MA moneys received in reimbursement of the cost of preventing out-of-home placements of children.

*** ANALYSIS FROM -1561/3 ***

*** ANALYSIS FROM -1562/3 ***

*** ANALYSIS FROM -0203/3 ***

HEALTH

Under current law, DHFS inspects, licenses, and otherwise regulates nursing homes and community-based residential facilities (C-BRFs). Revenues from nursing home and C-BRF licensing fees are, in part, used for the costs of the inspections and licensing. DHFS imposes and directly assesses forfeitures on C-BRFs, ranging from \$10 to \$1,000, for each violation of regulatory statutes or rules. DHFS also imposes and directly assesses forfeitures on nursing homes.

The bill increases from \$1,000 to \$10,000 the maximum amount of a forfeiture that DHFS may impose on a violating C-BRF. The bill requires DHFS to impose on a violating nursing home a forfeiture surcharge of 6% of each forfeiture amount.

*** ANALYSIS FROM -0207/6 ***

Under current law, DHFS levies assessments on all occupied, licensed beds of nursing homes and intermediate care facilities for the mentally retarded (ICFMRs) that are not state-owned or state-operated or federally owned or federally operated, except occupied, licensed beds for which payment is made under the federal Medicare program. The assessments are \$32 per month per bed of a nursing home and \$100 per month per bed of an ICFMR.

This bill expands the assessments on occupied, licensed beds of nursing homes and ICFMR to all licensed beds, including beds occupied by residents whose costs are paid under the federal Medicare program, regardless of whether the nursing home or ICFMR is privately owned or is owned or operated by the state or the federal government. Under the bill, the amount of the assessment per licensed bed of a

nursing home is increased to up to \$116 per month and the amount of the assessment per licensed bed of an ICFMR is increased to up to \$435 per month in fiscal year 2003–04 and up to \$445 per month in fiscal year 2004–05. Of the amounts received from the assessment, a portion is deposited into the general fund and the remainder is deposited into the MA trust fund.

This bill requires, beginning on January 1, 2005, every governmental unit that provides health insurance coverage for its employees to join a pharmacy benefits purchasing pool that uses a preferred list of covered prescription drugs. The governmental units must seek to develop the preferred list by identifying the relative effectiveness of prescription drugs within therapeutic classes for particular diseases and conditions and by identifying the least costly prescription drugs among those found to be equally effective. After the purchasing pool is developed, the pool must be available to an employer that is not a governmental unit and that provides health insurance coverage to any of the employer's employees, if the governor requests the employer to participate in the pool.

***** ANALYSIS FROM -1485/5 *****

Under current law, elderly persons may purchase prescription drugs at reduced prices under Senior Care. Persons eligible for Senior Care are state residents who are at least 65 years old, who are not MA recipients or do not receive prescription drug coverage as MA recipients, and whose annual household incomes do not exceed 240% of the federal poverty line for families the size of each person's eligible family. Persons who meet these requirements must pay a 12-month program enrollment fee of \$20 and an annual \$500 deductible for prescription drugs, at the "program payment rate" (the MA prescription drug payment rate, plus 5%, plus a dispensing fee), and then need pay only a copayment of \$5 for generic prescription drugs and a copayment of \$15 for nongeneric prescription drugs. (Eligible persons with an annual household income that does not exceed 160% of the federal poverty line for families the size of the persons' eligible families are not required to pay the \$500 deductible.) Other persons who meet all the requirements except the income limitation are also eligible to purchase prescription drugs at reduced amounts under Senior Care if, for each 12-month benefit period, they pay the program enrollment fee and then first "spend down" their income by paying for prescription drugs, at the program payment rate, a deductible of \$500 plus, at the retail price, the difference between their annual household income and 240% of the federal poverty line. Payment is made to pharmacies and pharmacists, for prescription drugs sold to Senior Care participants, by the state from the rebate payments and from general purpose revenues, at the program payment rate.

This bill increases the deductible for each 12-month Senior Care benefit period and the program enrollment fee for Senior Care participants based on the percentage that a person's annual household income is of the federal poverty line for a family the size of the person's eligible family. The bill also modifies the program enrollment fee based on a person's income and reduces the program payment rate for payment to pharmacies and pharmacists, to the MA prescription drug payment rate, plus a dispensing fee.

***** ANALYSIS FROM -1504/1 *****

Under current law, the Tobacco Control Board awards grants from the tobacco control fund for activities related to smoking prevention and cessation. This bill eliminates the Tobacco Control Board and transfers its responsibilities and administration of the tobacco control fund to DHFS.

Annually on June 15 beginning in 2004, JCF must transfer from the permanent endowment fund to the tobacco control fund the lesser of \$25,000,000 or the proceeds of, and investment earnings on, investments of the permanent endowment fund in the prior year. Also on June 15 annually, beginning in 2004, a transfer must be made from the general fund to the tobacco control fund of \$25,000,000, less the amount that must be transferred to the tobacco control fund from the permanent endowment fund. This bill requires JCF to transfer annually, beginning on June 15, 2004, from the permanent endowment fund to the tobacco control fund the lesser of \$15,054,500 for fiscal year 2003–04, and the lesser of \$15,062,000 for fiscal year 2004–05 and every fiscal year thereafter, or the proceeds of, and investment earnings on, investments of the permanent endowment fund in the prior calendar year. The bill also makes a transfer from the general fund to the tobacco control fund annually, beginning on June 15, 2004, of \$15,054,500 for fiscal year 2003–04, and \$15,062,000 for fiscal year 2004–05 and every fiscal year thereafter, less the amount transferred by JCF to the tobacco control fund from the permanent endowment fund in that fiscal year.

***** ANALYSIS FROM -1506/2 *****

Under current law, DHFS evaluates grade A dairy operations to certify the compliance rating of the operations to federal agencies, out-of-state markets, DATCP, and local health departments. This bill transfers the certification of grade A dairy operations, and incumbent employees performing the certification, from DHFS to DATCP.

***** ANALYSIS FROM -1607/P3 *****

Under current law, the Adolescent Pregnancy Prevention and Pregnancy Services (APPPS) Board is attached to DOA. The board must award not more than \$439,300 annually in grants to nonprofit corporations or public agencies to provide adolescent pregnancy prevention programs or pregnancy services that include health care, education, counseling, and vocational training. This bill eliminates the APPPS Board and the grant program.

***** ANALYSIS FROM -1760/2 *****

Under current law, DHFS annually assesses hospitals \$1,500,000, in proportion to each hospital's gross private-pay patient revenues during the hospital's most recently concluded fiscal year. Of the assessments, 50% is used to maintain a program, commonly known as Wisconcare, to provide primary health care services to unemployed persons or persons employed fewer than 25 hours per week who have no health care coverage, are unable to obtain health care coverage, and have a family income that does not exceed 150% of the federal poverty line. The remaining 50% is used to fund graduate medical education for the training of MA program providers. This bill eliminates the assessments, eliminates the Wisconcare program, and eliminates the funding of graduate medical education for the training of MA providers.

***** ANALYSIS FROM -1764/1 *****

Currently, DHFS provides funding to the Marquette University School of Dentistry to provide dental services in underserved areas and to underserved populations, to inmates of correctional centers in Milwaukee County, and in clinics in the city of Milwaukee. DHFS also annually awards grants for fluoride supplements, fluoride mouth rinses, and, in schools, dental sealants. This bill eliminates this funding and these grants.

***** ANALYSIS FROM -1913/1 *****

Under current law, DHFS must collect, analyze, and disseminate claims information and other health care information from health care providers. This bill eliminates this requirement.

***** ANALYSIS FROM -1746/4 *******MENTAL ILLNESS AND DEVELOPMENTAL DISABILITIES**

Currently, DHFS maintains three state centers for persons with developmental disabilities. This bill permits DHFS to maintain the Northern Center for the Developmentally Disabled, but also authorizes DHFS to sell assets and real property of the Northern Center for the Developmentally Disabled. If any of this property is sold, DHFS must deposit the net proceeds into the budget stabilization fund.

***** ANALYSIS FROM -0211/5 *****

Under current law, the state centers for the developmentally disabled may provide intensive treatment services for up to 50 individuals with developmental disabilities who are also diagnosed as mentally ill or who exhibit extremely aggressive and challenging behaviors. This bill removes the limit on the number of individuals who may be provided intensive treatment services at the state centers for the developmentally disabled. However, the bill conditions receipt of those services on a determination by DHFS that a licensed bed and necessary resources are available and on an agreement between DHFS and the individual's county of residence concerning a maximum discharge date for the individual. The bill also authorizes DHFS to impose on counties that pay for these services a progressive surcharge of an additional 10% of the amount paid under MA for the intensive treatment services, for any part of the six-month period that an individual receives the services beyond the discharge date agreed upon by DHFS and the individual's county of residence. For each subsequent six-month period during any part of which the individual receives the services, the surcharge is increased by an additional 10%. From the moneys received under this surcharge, DHFS may pay to counties the costs associated with relocating individuals into communities from state centers for the developmentally disabled.

***** ANALYSIS FROM -0196/3 ********** ANALYSIS FROM -0201/3 *****

This bill provides funding in fiscal years 2003–04 and 2004–05 for mental health and alcohol or other drug abuse managed care demonstration projects in up to six counties.

***** ANALYSIS FROM -0127/1 *****

Under current law, DHFS funds competency examinations of criminal defendants in Milwaukee County. This bill limits DHFS funding for competency

examinations of criminal defendants to those outpatient competency examinations that are for criminal defendants who are in jails or in locked units of facilities.

~~*** ANALYSIS FROM 20129/1 ***~~

*** ANALYSIS FROM -1300/1 ***

OTHER HEALTH AND HUMAN SERVICES

Currently, the Health Insurance Risk-Sharing Plan (HIRSP) provides major medical health insurance coverage for persons who are covered under Medicare because they are disabled, persons who have tested positive for human immunodeficiency virus, and persons who have been refused coverage, or coverage at an affordable price, in the private health insurance market because of their mental or physical health condition (collectively called eligible persons). Also eligible for coverage are persons who do not currently have health insurance coverage, but who were covered under certain types of health insurance coverage for at least 18 months in the past (eligible individuals).

Under current law, the operating costs of HIRSP are first paid with general purpose revenue and when those funds are exhausted the remainder of the operating costs are paid 60% by premiums paid by persons covered under HIRSP and 40% through insurer assessments and provider discounts, in equal amounts. Premiums for eligible persons with annual household incomes below \$25,000, and deductibles for eligible persons with annual household incomes below \$20,000, are partially subsidized with more general purpose revenue and, if that is insufficient, with further insurer assessments and provider discounts.

Under this bill, general purpose revenue is no longer used to pay operating costs or premium and deductible subsidies. Operating costs are paid 58% by premiums paid by covered persons, 21% through insurer assessments, and 21% through provider discounts. Premium and deductible subsidies are paid by increasing insurer assessments and by further reducing provider payment rates, in equal amounts. In addition, the bill authorizes DHFS to provide subsidies for prescription drug copayments paid by eligible persons with annual household incomes below \$25,000. These subsidies will also be paid equally by insurer assessments and provider payment rate discounts.

HIRSP is administered by DHFS, in conjunction with a plan administrator and a board of governors. Current law provides that the plan administrator is the same fiscal agent with which DHFS contracts to administer MA. This bill eliminates the requirement that the plan administrator be the fiscal agent for MA and provides that the plan administrator may be selected by DHFS in a competitive bidding process.

*** ANALYSIS FROM -1507/1 ***

Under current law, DHFS operates a Retired Senior Volunteers Program (RSVP) to provide volunteer services in a community by persons aged 60 or older. DHFS provides a state supplement to federally funded RSVP units that were in operation on December 1, 1988, and provides an additional supplement to counties and federally-recognized tribal governing bodies for federally and nonfederally funded RSVPs. Persons who volunteer under a RSVP receive transportation assistance and accident and liability insurance coverage during working hours.

This bill eliminates the RSVP.

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***** ANALYSIS FROM -1508/1 *****

Current law directs DHFS to contract with a private, nonprofit organization for the administration of respite care projects. Respite care is care that is provided to a person with special needs or a person at risk of abuse or neglect, to provide temporary relief to the person's caregiver or if the caregiver is unable to provide care. The organization awards grants to conduct respite care projects. This bill eliminates the Respite Care Program.

***** ANALYSIS FROM -0205/1 *****

Under current law, DHFS distributes community aids to counties to provide social, mental health, developmental disabilities, and alcohol and other drug abuse services. Community aids funds allocated to a county that are not spent or encumbered by December 31 of each year lapse to the general fund, except that DHFS, at the request of the county, must carry forward to the next year up to 3% of the total amount of community aids allocated to the county for a year. Current law also permits DHFS to carry forward 10% of any community aids funds that are not spent or encumbered by a county by December 31 of each year and that are not otherwise carried forward for emergencies, for services costs above planned levels, and for increased costs due to population shifts.

This bill requires DHFS, at the request of a county, to carry forward to the next year up to 5% of the community aids funds allocated to the county for family support programs for the families of children with disabilities for a year. The bill also permits DHFS to carry forward all other community aids funds allotted for those family support programs that are not spent or encumbered by a county by December 31 of each year and that are not otherwise carried forward for emergencies, for services costs above planned levels, and for increased costs due to population shifts.

***** ANALYSIS FROM -0279/1 *****

Under current law, DWD must distribute child support incentive payments to counties according to a formula worked out between DWD and the counties. The incentive payments come from federal incentive payments made to the state on the basis of successful child support enforcement efforts of DWD and county child support agencies and from certain child support collections assigned to the state by public assistance recipients. The total incentive payments that are paid to all counties in a year may not exceed \$12,340,000.

This bill provides that, if the incentive payments received in a year from the federal government exceed \$12,340,000, the excess amount will be divided equally between the counties and DWD. Each county's share of one-half of the excess will be determined according to the existing formula. DWD may use its share of any excess incentive payments for activities under its child support enforcement program and for the costs of receiving and disbursing support and support-related payments.

***** ANALYSIS FROM -0015/2 *****

To be eligible for food stamps under current law, a custodial parent of a child who has an absent parent must cooperate with efforts to establish or enforce a support order, if appropriate. Current law also provides that in a number of situations (when, for example, the state provides certain services or benefits on

behalf of a child, such as foster care aid or medical assistance) the state is a real party in interest for purposes of establishing paternity or securing future support or reimbursement of aid paid by the state. As a real party in interest, the state may commence an action or join in an action that is already commenced. This bill adds the receipt of food stamp benefits by a custodial parent of a child as another situation in which the state, for the purpose of establishing paternity or securing future support or reimbursement of aid paid, is a real party in interest in an action affecting the family that involves the custodial parent.

***** ANALYSIS FROM -0016/1 *****

This bill provides that, after a diligent effort has been made to ascertain the location of the respondent, notice of an action to revise a child support order may be given in the same manner as notice of an action to enforce a child support order, by delivering written notice of the action to the most recent residential or employer address that the respondent has provided to the county child support agency. Under current law, such notice must be given by personal service.

***** ANALYSIS FROM -0195/2 *****

Under current law, DHFS contracts for activities to augment the amount of moneys received from the federal government under MA. Current law requires DHFS to use the moneys received as a result of these income augmentation activities to pay for the operational costs of those activities and permits DHFS to use the moneys for other purposes if the secretary of administration and JCF, under a 14-day passive review process, approve a plan submitted by DHFS for the proposed use of the moneys. This bill requires DHFS to distribute not less than 50% of the federal MA moneys received as a result of income augmentation activities to counties that are participating in the activities for social, mental health, developmental disabilities, and alcohol and other drug abuse services.

***** ANALYSIS FROM -0133/1 *****

***** ANALYSIS FROM -1755/3 *****

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INSURANCE

Under current law, certain health care providers are required to carry health care liability insurance with specified liability limits. Damages awarded in a medical malpractice action that exceed the policy limits of the health care liability insurance of a health care provider subject to the health care liability insurance requirements are paid by the patients compensation fund. Money for the fund comes from annual assessments paid by the health care providers subject to the health care liability insurance requirements.

This bill creates the health care provider availability and cost control fund, transfers \$200,000,000 from the patients compensation fund to the new fund, and provides for the payment of any medical malpractice award that exceeds the moneys remaining in the patients compensation fund with moneys from the general fund. The new fund may be used to assist in the education and training of health care providers, to ensure that health care providers serving recipients under the Medical Assistance program or other health care programs established by the state receive payment sufficient for their continued participation in these programs, and to defray

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the cost of other health-related programs. This bill also appropriates money from the new fund for benefits under the Medical Assistance program.

***** ANALYSIS FROM -0153/P1 *****

This bill eliminates the requirement that the Commissioner of Insurance and each employee of OCI have a separate public officer's bond providing \$100,000 of coverage.

***** ANALYSIS FROM -1567/9 *****

LOCAL GOVERNMENT

Under current law, shared revenue payments in 2003 and county and municipal aid payments in 2004 are paid entirely from the general fund. Under this bill, of the total amount of shared revenue payments to be distributed in November 2003, \$230,000,000 will be paid from the transportation fund, rather than from the general fund. Of the total amount of county and municipal aid payments to be distributed in November 2004, \$170,000,000 will be paid from the transportation fund, rather than from the general fund, and \$20,000,000 will be paid from the utility public benefits fund, rather than from the general fund.

***** ANALYSIS FROM -1565/6 *****

In general the base for determining the amount of county and municipal aid payments in 2004 is the amount of shared revenue that each county and municipality received in 2003. After DOR determines the base amount for each county and municipality, DOR reduces the payments to each county and municipality by subtracting from the payments an amount based on the county's or municipality's population, so that the total amount of all such payments is reduced by \$40,000,000.

Under this bill, DOR reduces the shared revenue payments to each county and municipality in 2003 by subtracting from the payments an amount based on the county's or municipality's population, so that the total of all such payments is reduced by \$10,000,000. In 2004, the base amount for determining county and municipal aid payments is the amount of shared revenue that each county and municipality received in 2003, disregarding the \$10,000,000 reduction. After DOR determines the base amount, DOR reduces the county and municipal aid payments to each county and municipality in 2004 by subtracting from the payments an amount based on the county's or municipality's population, so that the total of all such payments is reduced by \$50,000,000.

Under the bill, in 2004, after DOR reduces all county and municipal aid payments by \$50,000,000, DOR further reduces all such payments to municipalities by subtracting from the payments an amount based on the municipality's population, so that the total amount of all such payments is reduced by \$70,000,000.

***** ANALYSIS FROM -1564/2 *****

Under current law, beginning in 2004, counties and municipalities that agree to consolidate county or municipal services are eligible to receive consolidation incentive payments equal to 75% of the amount that the counties or municipalities save as a result of consolidating services. This bill eliminates consolidation incentive payments.

***** ANALYSIS FROM -1635/1 *****

NATURAL RESOURCES

This bill increases most resident and nonresident hunting and fishing license fees, including small game, deer, Class A and Class B bear, archer, wild turkey, annual fishing, sports, and conservation patron. The bill also increases the fee for Great Lakes trout and salmon stamps and resident trapping licenses.

***** ANALYSIS FROM -1510/2 *****

Current law appropriates to DNR, until July 1, 2003, moneys from the conservation fund for the payment of principal and interest costs incurred in financing land acquisition and development for state forests. This bill appropriates the funds until July 1, 2005, and requires that the fund be used before money in the general fund is used.

***** ANALYSIS FROM -1703/1 *****

Under current law, 50% of the state funding for the removal and disposal of deer killed by motor vehicles is appropriated from the general fund and 50% is appropriated from the conservation fund. Under this bill, 50% is appropriated from the conservation fund and 50% is appropriated from the transportation fund.

***** ANALYSIS FROM -1757/4 *****

RETIREMENT AND GROUP INSURANCE

Under current law, the state must offer to all of its employees at least two insured or uninsured health care coverage plans providing substantially equivalent hospital and medical benefits, including a health maintenance organization or a preferred provider plan. This bill provides that, beginning on January 1, 2004, the state must place each of the plans into one of three tiers established in accordance with standards adopted by the Group Insurance Board (GIB). The tiers must be separated according to the employee's share of premium costs.

In addition, unless otherwise provided in collective bargaining agreements and the state's compensation plan, currently the state must pay 90% of the gross premium for the standard health insurance plan offered to state employees by the GIB or 105% of the gross premium of other qualifying health insurance plans offered by GIB. This bill requires the state to pay not less than 80% of the average premium cost of plans offered in the tier with the lowest employee premium cost regardless of the plan selected by the employee, but retains the requirement that these amounts are subject to applicable collective bargaining agreements and the state's compensation plan.

***** ANALYSIS FROM -1698/3 *****

Currently, unused sick leave accumulated by a state employee may be used to pay health insurance premiums under the state health insurance plan once the employee dies or terminates state employment. Under the program, the employee's accumulated unused sick leave is converted to credits based on his or her basic pay rate immediately prior to termination. In order to use the credits, for an employee who terminates state employment, the employee must either be immediately eligible for a retirement annuity or have attained 20 years of creditable service under the Wisconsin Retirement System (WRS) and have deferred application for a retirement annuity.

This bill provides that any state employee who has attained 20 years of creditable service and terminates state employment retains his or her sick leave credits even though he or she has not reached the minimum age required to receive a retirement annuity under the WRS. In addition, the bill provides that the sick leave credits are based on the employee's *highest* basic pay rate he or she received while employed by the state, not the basic rate the employee received immediately prior to termination.

***** ANALYSIS FROM -1895/2 *****

Under current law, for receipt of a retirement annuity under the WRS, the participant must have attained age 55, or have attained age 50 if the participant is a protective occupation participant, and must be separated from covered employment for a certain period. This bill provides that the participant is not required to be separated if the participant has attained his or her normal retirement date or has attained a combination of age and years of creditable service such that the participant is not subject to an annuity reduction penalty; or the participant has terminated employment with a participating employer and is employed by a different participating employer, as determined under any applicable provision under the Internal Revenue Code.

***** ANALYSIS FROM -0912/2 *****

Currently, under certain conditions, WRS participating employees may purchase creditable service under the WRS that was previously forfeited. In addition, a participating employee may purchase creditable service under the WRS for service performed as an employee of another governmental unit that is not a participating employer under the WRS.

This bill provides for additional ways to purchase creditable service for forfeited service and other governmental service. Under the bill, participating employees may transfer moneys to the employee trust fund to purchase creditable service for forfeited service and other governmental service from tax sheltered annuity plans, governmental deferred compensation plans, and deferred compensation plans offered in the private sector.

***** ANALYSIS FROM -0576/8 *****

STATE GOVERNMENT

STATE EMPLOYMENT

This bill eliminates DER and transfers its powers and duties to DOA. Currently, DER is charged with administering the state civil service system, establishing and maintaining the state's classification system, crafting the compensation plan for most nonrepresented state employees for submission to the Joint Committee on Employment Relations, establishing procedures for recruitment, selection, appointment, and promotion for classified positions in the state civil service, developing and maintaining the career executive service, and administering the hazardous employment program.

***** ANALYSIS FROM -1295/2 *****

Under current law, the Personnel Commission hears appeals of state employee position classification decisions, examination scores, appointment decisions, and disciplinary actions taken against employees by their employer (appeals functions).

In addition, the Personnel Commission investigates complaints by state employees for discriminatory or retaliatory actions taken by their employers relating to the Fair Employment Act, public employee safety and health protections, the state's whistle-blower law, the Family and Medical Leave Act, elder abuse reporting contact protections, and health care worker reporting protections (complaints functions). This bill abolishes the Personnel Commission and transfers its appeals functions to the Employment Relations Commission and its complaints functions to the Division of Equal Rights in DWD.

***** ANALYSIS FROM -1824/6 *****

With certain exceptions, this bill transfers all attorney positions in executive branch agencies to DOA effective on October 1, 2003, or on the first day of the third month beginning after the bill is enacted, whichever is later. Attorney positions in DOJ, the Office of the State Public Defender, the PSC, the UW System, the State of Wisconsin Investment Board, the Elections Board, the Ethics Board, DRL, and the Office of the Governor are exempt, as are all state employees working in an office of a district attorney and all positions identified as hearing examiners, hearing officers, or administrative law judges. In addition, the bill retains the chief counsel position in each of 13 major state agencies.

The bill authorizes DOA to provide legal services to executive branch agencies, including the Building Commission.

***** ANALYSIS FROM -1797/6 *****

STATE FINANCE

In 2002, a nonstock corporation organized by the secretary of administration, called Badger Tobacco Asset Securitization Corporation (BTASC), entered into an arrangement with the state to issue bonds secured by payments owed the state under the Attorneys General Master Tobacco Settlement Agreement of November 23, 1998. To date, approximately \$1,591,000,000 in such bonds have been issued.

This bill creates a program, to be administered by DOA, to purchase any of the outstanding bonds issued by BTASC. Under the bill, funds for the program may not exceed \$1,600,000,000. The principal of and interest on the revenue obligations issued by the Building Commission are to be secured by principal and interest payments received from the bonds issued by BTASC and purchased by the state. In addition, the bill contains a moral obligation pledge in which the legislature expresses its expectation and aspiration that, if the BTASC bond principal and interest payments are insufficient to pay the principal of and interest on the revenue obligations issued by the Building Commission, the legislature will make an appropriation from the general fund sufficient to pay the principal of and interest on the obligations. Finally, the bill provides that the remainder of moneys received after the retirement of the bonds, the making of certain payments, and the provision of reserves, are to be equally divided between the tobacco control fund and the general fund.

***** ANALYSIS FROM -0854/5 *****

Under current law, employers participating in WRS are required to make contributions to fund the retirement benefits provided to WRS participants. Among the contributions that participating employers must make are contributions to pay

any unfunded prior service liability resulting, generally, from prior creditable service or benefit improvements retroactively granted to participating employees. Currently, the payment of unfunded prior service liability is amortized as a level percent of payroll over a period of 40 years and is scheduled to be fully paid in 2030.

This bill creates two programs, administered by DOA, to issue revenue obligations to pay the state's unfunded prior service liability under the WRS. Under the first program, the principal and interest costs on the revenue obligations are to be paid from excise taxes that are currently imposed on the sale of liquor, fermented malt beverages, cigarettes, and tobacco products. Funds for the program may not exceed \$750,000,000

***** ANALYSIS FROM -1016/6 *****

Under the second program, DOA may issue appropriation obligations in an amount up to \$750,000,000 to pay the state's unfunded prior service liability. An appropriation obligation is an undertaking by the state to repay a certain amount of borrowed money that is payable from moneys annually appropriated by law for debt service due in that year. The bill provides that an appropriation obligation is not public debt and that the state is only required to repay in debt service costs in each fiscal year an amount that is actually appropriated for debt service costs in that fiscal year. If moneys are not appropriated in any fiscal year for the payment of debt service costs, the state is not obligated to pay the debt service costs incurred in that fiscal year. The bill does contain a moral obligation pledge, however, in which the legislature, recognizing its moral obligation to do so, expresses its expectation and aspiration that it will make timely appropriations from moneys in the general fund sufficient to pay the principal and interest costs on any appropriation obligations that are incurred in any year.

***** ANALYSIS FROM -0529/4 *****

Under current law, the state treasurer performs a number of duties relating to carrying out the state's cash management functions. This bill transfers these duties to DOA.

***** ANALYSIS FROM -1748/2 *****

Under current law, the amount of general purpose revenue that may be appropriated in any fiscal biennium is limited to the amount appropriated in the prior fiscal biennium, adjusted by the annual percentage change in this state's aggregate personal income. Currently, however, the limitation does not apply to an appropriation for principal repayment and interest payments on public debt and other payments relating to public debt; an appropriation to honor a moral obligation pledge; an appropriation contained in a bill that is enacted with the approval of at least two-thirds of the members of each house of the legislature; an appropriation for certain legal expenses and costs; an appropriation for tax relief; an appropriation to make a transfer from the general fund to the budget stabilization fund; or an appropriation to the Higher Educational Aids Board, DPI, or the UW System.

This bill provides that the limitation also does not apply to an appropriation for the 2003–05 fiscal biennium to make aid payments to counties and municipalities.

***** ANALYSIS FROM -1847/2 *****

Under current law, the Board of Commissioners of Public Lands (BCPL) may invest moneys in the common school fund, the normal school fund, the university fund and the agricultural college fund (collectively, the trust funds) in certain specified investments. These include bonds or notes of the United States; bonds issued by this state or the UW Hospitals and Clinics Authority; and bonds issued by a town, village, city, county, or school district or certain other special districts in the state.

This bill authorizes BCPL to delegate to the Investment Board the authority to invest part or all of the moneys in the trust funds. Under the bill, if BCPL delegates the authority, the Investment Board may invest the moneys in the trust funds in any manner authorized for the investment of other funds under the control of the Investment Board.

The bill also authorizes BCPL, at the governor's request, to invest moneys in the trust funds in the purchase of land in this state. A condition on the purchase of this land, however, is that BCPL must determine that the purchase of the land will reduce the per acre costs incurred by BCPL in managing the public lands and all other lands managed by BCPL.

***** ANALYSIS FROM -1761/3 *****

Current statutes contain a rule of procedure which provides that no bill directly or indirectly affecting general purpose revenues may be adopted if the bill would cause the estimated general fund balance on June 30 of any fiscal year to be an amount equal to less than a certain percentage of the total general purpose revenue appropriations for that fiscal year. For fiscal year 2003–04, the amount is 1.6%; for fiscal year 2004–05, the amount is 1.8%; and for fiscal year 2005–06 and each year thereafter, the amount is 2%.

This bill requires the secretary of administration, by January 1, 2004, to estimate the total amount that will be deposited into the Medical Assistance (MA) trust fund for fiscal year 2003–04. The MA general purpose revenues appropriation is reduced by that portion of the total amount that the secretary estimates will exceed \$550,000,000. The secretary must perform the same estimate, by January 1, 2005, for fiscal year 2004–05, and the MA general purpose revenues appropriation is reduced by that portion of the total amount that the secretary estimates will exceed \$80,000,000. The bill modifies the required general fund balance for fiscal year 2003–04 to be the amount by which the MA general purpose revenues appropriation is reduced for that fiscal year, or \$35,000,000, whichever is greater; modifies the required general fund balance for fiscal year 2004–05 to be the amount by which the MA general purpose revenues appropriation is reduced for that fiscal year, or \$40,000,000, whichever is greater; and modifies the required general fund balance for 2005–06 to be \$75,000,000. Lastly, the bill increases the MA trust fund for fiscal years 2003–04 and 2004–05 by the amount of the reduction to the MA general purpose revenues appropriation for each of those fiscal years.

***** ANALYSIS FROM -0714/3 *****

***** ANALYSIS FROM -1581/5 *****

Current law requires that moneys in the bond security and redemption fund may only be invested in direct obligations of the United States. The bill expands the

investment options for moneys in this fund to include securities issued by the United States, or one of its agencies, and securities fully guaranteed by the United States.

***** ANALYSIS FROM -1883/1 *****

This bill makes a number of transfers from segregated funds to the general fund, including the following:

1. The bill transfers from the transportation fund to the general fund \$15,000,000 in each fiscal year of the 2003–05 fiscal biennium.

***** ANALYSIS FROM -1879/1 *****

2. The bill transfers from the veterans mortgage loan repayment fund to the general fund \$900,300 in each fiscal year of the 2003–05 fiscal biennium.

***** ANALYSIS FROM -1884/P2 *****

3. The bill transfers to the general fund \$83,600 from the patients compensation fund, \$75,100 from the local government property insurance fund, and \$59,500 from the state life insurance fund in each fiscal year of the 2003–05 fiscal biennium.

***** ANALYSIS FROM -1288/2 *****

4. The bill transfers \$2,118,500 in fiscal year 2003–04 and \$3,118,500 in fiscal year 2004–05 from the environmental fund to the general fund.

***** ANALYSIS FROM -1375/3 *****

5. The bill transfers \$3,158,100 in fiscal year 2003–04 and \$158,100 in fiscal year 2004–05 from the recycling fund to the general fund.

***** ANALYSIS FROM -1881/1 *****

6. The bill transfers from the petroleum inspection fund to the general fund \$1,657,400 in each fiscal year of the 2003–05 fiscal biennium.

***** ANALYSIS FROM -1945/P1 *****

7. The bill transfers \$2,055,000 from the tobacco control fund to the general fund on July 1, 2004.

***** ANALYSIS FROM -1111/4 *****

OTHER STATE GOVERNMENT

Under current law, DATCP administers most consumer protection and trade practice laws. This bill transfers all of the administrative authority for certain of these laws, including laws relating to ticket refunds, fraudulent representations, methods of competition and trade practices, cable television subscriber rights, product safety, future services plans, landlord and tenant, and time-share ownership, to DOJ. It also transfers the authority to bring a court action to enforce these laws to DOJ or to DOJ jointly with the appropriate district attorney. Although the bill does not affect DATCP's authority to administer other laws, including laws relating to unfair trade practices in the dairy industry, discrimination in the purchase of milk, and unfair trade practices in the procurement of vegetable crops it requires DOJ to furnish legal services to DATCP relating to their enforcement.

Under current law, if a court imposes a fine or forfeiture for a violation of certain consumer protection laws or the laws regulating weights and measures, the court is required to impose an additional consumer protection assessment. The assessments, up to a certain limit, are available for expenditure by DATCP for consumer protection and consumer information and education. Under the bill, most of these consumer

protection assessments are available for expenditure by DOJ, rather than DATCP. The bill also requires the imposition of the consumer protection assessment for fines or forfeitures resulting from the violation of the laws prohibiting the creation of monopolies and the unfair and discriminatory business practices that hamper competition.

The bill also changes the name of DATCP to the Department of Agriculture, Trade, and Rural Resources.

***** ANALYSIS FROM -1289/7 *****

This bill eliminates DEG and transfers its functions to DOA. The bill also deletes the exemption of the UW System from certain laws affecting telecommunications procurement procedures.

***** ANALYSIS FROM -1308/2 *****

Under current law, the Land Information Board is abolished effective on September 1, 2003. This bill changes this expiration date to September 1, 2005. The bill also changes the date on which certain land recording fees are reduced from September 1, 2003 to September 1, 2005.

This bill extends the sunset date for the Wisconsin Land Council, which is attached to DOA, from August 31, 2003 to September 1, 2005.

***** ANALYSIS FROM -1789/2 *****

This bill increases the fee imposed by DOJ for a fingerprint card record check from \$10 to \$15. It also requires DOJ to impose a \$5 surcharge whenever a person requesting a criminal background check, other than for criminal justice purposes or in connection with the sale of a handgun, asks for a paper copy of the results of the background check.

***** ANALYSIS FROM -1746/4 *****

This bill directs the secretary of administration, by July 1, 2004, to review all holdings of state-owned real or personal property, except facilities or institutions the sale or closure of which is not authorized by law, for sale or lease. The bill also provides for the net proceeds of property sales and leases by the Building Commission and the net proceeds of certain sales of property by DOA to be deposited in the budget stabilization fund.

***** ANALYSIS FROM -1767/3 *****

Under current law, the Tax Appeals Commission is the final administrative authority for the hearing and determination of most tax-related matters arising in this state. This bill eliminates the Tax Appeals Commission and replaces it with the Office of the Commissioner of Tax Appeals.

***** ANALYSIS FROM -1327/1 *****

This bill prohibits all state agencies and authorities from entering into a contract or order for the purchase of materials, supplies, equipment, or contractual services with any person if the secretary of revenue determines that the person or an affiliate of the person refuses to collect and remit sales and use taxes on its sales delivered to this state. Currently, there is no such prohibition.

***** ANALYSIS FROM -1680/2 *****

TAXATION

Under current law, for local general property tax purposes, DOR identifies and assesses all manufacturing property located in this state and reports the value of such assessments to the municipalities in which manufacturing property is located. Under this bill, for local general property tax purposes, each taxation district identifies and assesses all manufacturing property located in the the taxation district.

***** ANALYSIS FROM -1191/4 *****

TRANSPORTATION

HIGHWAYS

Under current law, the Building Commission may issue revenue bonds for major highway projects and transportation administrative facilities in a principal amount that may not exceed \$1,753,067,500. A major highway project is a project having a total cost of more than \$5,000,000 and involving construction of a new highway 2.5 miles or more in length; reconstruction or reconditioning of an existing highway that relocates at least 2.5 miles of the highway or adds one or more lanes at least five miles in length to the highway; or improvement of an existing multilane divided highway to freeway standards. However, under current law, the Marquette interchange reconstruction project, lying at or near the junction of I 94, I 43, and I 794, in Milwaukee County, is not classified as a major highway project.

This bill increases the revenue bond limit from \$1,753,067,500 to \$2,916,403,000. The bill also provides that revenue bond proceeds may be expended for state highway rehabilitation projects, which are generally projects not qualifying as major highway projects that involve reconditioning, reconstruction, or resurfacing of highways on the state trunk system and connecting highways. Additionally, the bill provides that revenue bond proceeds may be expended for the Marquette interchange reconstruction project.

***** ANALYSIS FROM -1837/2 *****

***** ANALYSIS FROM -1640/1 *****

Under current law, state funds appropriated from the transportation fund for state highway rehabilitation and state and federal funds appropriated from the transportation fund for the rehabilitation of southeast Wisconsin freeways, including the Marquette interchange reconstruction project, may not be used for the installation, replacement, rehabilitation, or maintenance of highway signs, traffic control signals, highway lighting, pavement markings, or intelligent transportation systems unless incidental to the improvement of existing state trunk and connecting highways or the rehabilitation of southeast Wisconsin freeways. This bill eliminates this prohibition.

***** ANALYSIS FROM -1250/1 *****

Under current law, DOT must award grants totaling \$10,000,000 to the city of Milwaukee to fund the reconstruction of West Canal Street in the city of Milwaukee if the city contributes \$10,000,000 toward the project. This bill permits the use of these funds for the extension of West Canal Street to USH 41 at Miller Park in the city of Milwaukee.

***** ANALYSIS FROM -0863/2 *****

The federal Highway Beautification Act requires states to restrict advertising along interstate and federal-aid (primary) highways. Current state law prohibits, with certain exceptions, the erection or maintenance of outdoor advertising signs within 660 feet of, or beyond 660 feet but visible (and erected for the purpose of being visible) from, the main-traveled way of an interstate or primary highway.

Also under current law, DOT administers a Scenic Byways Program, under which DOT may designate as “scenic byways” highways that have outstanding scenic, historic, cultural, natural, recreational, or archeological qualities.

This bill changes the definition of primary highway to conform to federal law and imposes additional restrictions on advertising along interstate and primary highways designated as state scenic byways to conform to federal law.

***** ANALYSIS FROM -0919/3 *****

DRIVERS AND MOTOR VEHICLES

Under current law, a person may not operate a motor vehicle if he or she has an alcohol concentration of 0.1 or more and has not more than one conviction relating to operating a motor vehicle with a prohibited alcohol concentration. A person who has two convictions relating to operating a motor vehicle with a prohibited alcohol concentration may not operate a motor vehicle if he or she has an alcohol concentration of 0.08 or more, and a person who has three or more convictions relating to operating a motor vehicle with a prohibited alcohol concentration may not operate a motor vehicle if he or she has an alcohol concentration of 0.02 or more.

This bill changes the prohibited alcohol concentration from 0.1 to 0.08 for a person with one or no prior convictions relating to operating a motor vehicle with a prohibited alcohol concentration.

***** ANALYSIS FROM -1575/3 *****

Under current law, the owner of a vehicle who applies for a first certificate of title or for a new certificate of title after transfer of a vehicle must pay an application fee of \$8.50. With certain exceptions, DOT also charges an annual vehicle registration fee of \$45 per automobile.

Under this bill, the application fee for a first certificate of title or for a certificate of title after transfer of a vehicle is \$18.50, and the annual registration fee for an automobile is \$55.

***** ANALYSIS FROM -1195/3 *****

***** ANALYSIS FROM -0444/2 *****

Under current law, a person must pay an environmental impact fee of \$9 upon registering a new motor vehicle with DOT or upon applying for a new certificate of title following a transfer of a vehicle. The environmental impact fees are credited to the environmental fund and are earmarked for environmental management activities. The fee expires on December 31, 2003. This bill increases the fee to \$10.50 and eliminates the expiration date.

DOT currently administers a classified driver license system to implement the requirements of the Federal Commercial Motor Vehicle Safety Act of 1986. Under current law, DOT must disqualify a commercial motor vehicle (CMV) operator who commits a major traffic-related offense or another serious traffic violation. This bill makes changes to the classified driver license system that are required by the

Federal Motor Carrier Safety Improvement Act of 1999. These changes become effective on September 30, 2005, and include:

1. Creating two new major traffic-related offenses and three new serious traffic violations.
2. Requiring disqualification of commercial driver license (CDL) privileges for certain offenses committed while operating a nonCMV as well as a CMV.
3. Prohibiting the issuance of an occupational license authorizing the operation of a CMV.
4. Requiring operators of school buses that are CMVs to maintain a CDL "S" endorsement, which may only be issued by DOT after the operator passes a knowledge and driving skills test.
5. Requiring DOT to maintain detailed records of actions taken against persons holding CDLs and persons operating CMVs without a CDL, and of convictions of such persons for offenses committed in both CMVs and nonCMVs.

***** ANALYSIS FROM -1190/1 *****

Under current law, the fee for most permits to operate upon a highway a vehicle or combination of vehicles that exceeds certain statutory limits on size, weight, or load are 10% higher than the usual rates for the period beginning on January 1, 2000, and ending on June 30, 2003. This bill delays the sunset date of the permit fee increases from June 30, 2003, to June 30, 2005.

***** ANALYSIS FROM -1771/3 *****

Current law requires DOT to conduct a motor vehicle emission inspection program in counties in which the air quality does not meet certain federal standards. This bill appropriates money from the petroleum inspection fund to pay the costs of administering the program, including contracting for emission inspections.

***** ANALYSIS FROM -1196/1 *****

TRANSPORTATION AIDS

Under current law, DOT makes general transportation aids payments to a county based on a share-of-costs formula, and to a village, city, or town (municipality) based on the greater of a share-of-costs formula for municipalities or an aid rate per mile, which is \$1,825 for 2003 and thereafter. This bill increases the aid rate per mile to \$1,871 for 2004 and \$1,917 for 2005 and thereafter.

This bill increases the maximum amount of general transportation aids that may be paid to counties from \$90,044,600 in 2003 to \$92,295,700 in 2004 and \$94,603,100 in 2005 and thereafter. The bill also increases the maximum amount of aid that may be paid to municipalities from \$283,291,100 in 2003 to \$290,373,400 in 2004 and \$297,632,700 in 2005 and thereafter.

***** ANALYSIS FROM -1198/2 *****

Under current law, DOT provides state aid, for each of four classes of mass transit systems, to local public bodies in urban areas served by mass transit systems to assist with the expenses of operating those systems. This bill increases the total amount of state aid to each class of mass transit system.

***** ANALYSIS FROM -1187/4 *****

RAIL AND AIR TRANSPORTATION

This bill eliminates the Office of the Commissioner of Railroads ~~on July 1, 2004~~ and provides for the elimination and transfer of its functions as follows:

1. The office is currently authorized to regulate railroads to prevent “unreasonable or unjustly discriminatory” rates and inadequate services within the state and to require a finding of “public convenience and necessity” before constructing any new track. The bill eliminates this authority.

2. Under current law, the office may order railroads to install protective devices at crossings where a railroad intersects a street or another railroad. The bill transfers this authority to DOT and authorizes DOT to issue orders in these matters without a hearing, based on investigation and application of safety, programming, and cost allocation criteria promulgated by rule. The bill provides for review of DOT orders in these matters by the Division of Hearings and Appeals (division) in DOA.

3. Regulatory functions currently assigned to the office and not eliminated in the bill are transferred to DOT, and functions having the character of contested case resolution are transferred to the division.

***** ANALYSIS FROM -1189/3 *****

This bill authorizes DOT to award grants to municipalities and specified political subdivisions for certain activities and capital costs related to the development or extension of commuter rail transit systems. Construction or expansion of a commuter rail transit system costing more than \$5,000,000 may not be undertaken using state funds unless the project is specifically enumerated by statute.

***** ANALYSIS FROM -1201/2 *****

This bill increases the authorized general obligation bonding limit for the acquisition and improvement by DOT of rail property from \$28,000,000 to \$32,500,000.

***** ANALYSIS FROM -1772/3 *******OTHER TRANSPORTATION**

Under current law, the Building Commission may issue revenue bonds for major highway projects and transportation administrative facilities. DOT may deposit in a trust fund vehicle registration fee revenues pledged for the repayment of these revenue bonds. Moneys pledged in excess of the amount needed for repayment of these revenue bonds are transferred back to the transportation fund, free of any pledge.

This bill allows DOT to deposit in a special fund revenues from titling fees, personalized plate fees, fast service fees, counter service fees, late registration fees, and special plate fees pledged for the repayment of revenue bonds in the same manner as is allowed for vehicle registration fee revenues.

***** ANALYSIS FROM -1229/2 *****

Under current law, DOT accepts credit card payments by telephone or Internet for registration renewals for automobiles, light trucks, and motorcycles. This bill allows DOT to accept credit card payments by telephone or Internet usage for oversize or overweight vehicle permits.

***** ANALYSIS FROM -1200/1 *****

This bill increases the authorized general obligation bonding limit for grants awarded by DOT for harbor improvements from \$25,000,000 to \$28,000,000.

***** ANALYSIS FROM -1780/1 *****

VETERANS AND MILITARY AFFAIRS

Under current law, the state reimburses a veteran for tuition and fees upon satisfactory completion of a full-time undergraduate semester in any institution of higher education or school approved by the DVA or by the Educational Approval Board (EAB) if the veteran completes the course within 10 years after separation from the armed services. This bill allows the veteran to be reimbursed if he or she starts the course within 10 years after separation from the armed services.

***** ANALYSIS FROM -0344/1 *****

Currently, EAB inspects and approves private trade, correspondence, business, and technical schools to protect the students, prevent fraud, and encourage accepted educational standards at these schools. These schools are required to pay fees sufficient to cover the costs of EAB examining and approving their operation in the state.

This bill requires EAB to collect a fee from these schools to cover the losses that students, parents, or sponsors incur if a school closes unexpectedly and to use the collected fees to pay all or part of the losses incurred by students, parents, or sponsors.

***** ANALYSIS FROM -0324/1 *****

This bill allows DVA to provide stipends to individuals to attend school and receive the necessary credentials to become employed at a Wisconsin veterans facility.

***** ANALYSIS FROM -0348/1 *****

Currently, members of the Wisconsin National Guard, except officers and members with baccalaureate degrees, are eligible for tuition grants for reimbursement of college or technical college tuition. The grant is equal to the lesser of the actual tuition charged or the maximum resident undergraduate tuition charged by the UW-Madison for a comparable number of credits.

This bill limits the amount of the tuition grant reimbursement to the lesser of the actual tuition charged or the average resident undergraduate tuition charged by the UW System for a comparable number of credits. The qualifying schools are expanded to include public institutions of higher education under the Minnesota-Wisconsin student reciprocity agreement or under an interstate agreement that the Educational Communications Board approves.

***** ANALYSIS FROM -0350/2 *****

***** ANALYSIS FROM -0347/P1 *****

This bill requires the adjutant general to cooperate with the federal government in the operation and maintenance of distance learning centers for the use of current and former members of the national guard and the U.S. armed forces. The bill permits the adjutant general to charge rent for nonmilitary or nonfederal users of the centers.