



STATE OF WISCONSIN Assembly Journal

Ninety-Sixth Regular Session

TUESDAY, July 15, 2003

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

AMENDMENTS OFFERED

Assembly substitute amendment 1 to **Assembly Bill 80** offered by Representatives Townsend and Musser.

Assembly amendment 2 to Assembly substitute amendment 1 to **Assembly Bill 156** offered by Representatives Loeffelholz, Hines, Ott, Suder and Ainsworth.

Assembly amendment 1 to **Assembly Bill 380** offered by Representative Olsen.

ADMINISTRATIVE RULES

Assembly Clearinghouse Rule 03-018

Relating to hunting and trapping regulation changes.
Submitted by Department of Natural Resources.
Report received from Agency, July 9, 2003.
To committee on **Natural Resources**.
Referred on July 15, 2003.

Assembly Clearinghouse Rule 03-031

Relating to dog training, dog trials and dog clubs.
Submitted by Department of Natural Resources.
Report received from Agency, July 9, 2003.
To committee on **Natural Resources**.
Referred on July 15, 2003.

Assembly Clearinghouse Rule 03-034

Relating to the administration of the forest crop land and the managed forest law.
Submitted by Department of Natural Resources.
Report received from Agency, July 9, 2003.
To committee on **Forestry**.
Referred on July 15, 2003.

Assembly Clearinghouse Rule 03-042

Relating to critical access hospitals.
Submitted by Department of Health and Family Services.
Report received from Agency, July 7, 2003.
To committee on **Health**.
Referred on July 15, 2003.

INTRODUCTION AND REFERENCE OF PROPOSALS

Read first time and referred:

Assembly Bill 433

Relating to: authorizing cities, villages, towns, and counties to suspend their compliance with certain state mandates.

By Representatives Balow, Gronemus, Bies, Staskunas and Plouff; cosponsored by Senators Plale and A. Lasee.

To committee on **Urban and Local Affairs**.

Assembly Bill 434

Relating to: limiting the corporate income tax deduction for compensation paid to an employee.

By Representatives Pocan, Berceau, Black, Boyle, J. Lehman, Miller, Musser, Plouff, Schneider, Sinicki and Taylor; cosponsored by Senators Risser, Carpenter and Chvala.

To committee on **Ways and Means**.

COMMITTEE REPORTS

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

Assembly Bill 383

Relating to: a Medical Assistance family planning demonstration project minimum age eligibility limitation change.

Reported without recommendation pursuant to s. [227.26 \(2\)\(h\)](#), of the Wisconsin Statutes.

To committee on **Rules**.

GREGG UNDERHEIM
Chairperson
Committee on Health

The committee on **Highway Safety** reports and recommends:

Assembly Bill 161

Relating to: the use of a flashing or rotating amber light on certain motor trucks.

Passage:

Ayes: 7 – Representatives Petrowski, Bies, Van Roy, Musser, Young, Staskunas and Shilling.
Noes: 0.

To committee on **Rules**.

JERRY PETROWSKI
Chairperson
Committee on Highway Safety

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

Assembly Clearinghouse Rule 03–017

Relating to the regulation of baiting and feeding to control and manage chronic wasting disease.

Objection:

Ayes: 7 – Representatives Gunderson, Pettis, Bies, Krawczyk, M. Williams, Gronemus and Steinbrink.
Noes: 4 – Representatives Johnsrud, Ott, Black and Miller.

To joint committee for **review of Administrative Rules**.

DUWAYNE JOHNSRUD
Chairperson
Committee on Natural Resources

SPEAKER’S COMMUNICATIONS

July 14, 2003

Mr. Patrick Fuller
Chief Clerk
Wisconsin State Assembly
Room 208, Risser Justice Center
17 West Main Street
Madison, Wisconsin 53708

Dear Patrick:

Pursuant to Assembly Rule [42 \(3\)\(c\)](#), I am withdrawing **Assembly Bill 432** from the Assembly Committee on Natural Resources and re-referring it to the Assembly Committee on Tourism. I have the consent of Representative DuWayne Johnsrud, chairman of the Assembly Committee on Natural Resources, to take this action.

Please call Ellen Nowak of my office if you have any questions.

Sincerely,
JOHN G. GARD
Speaker

CHIEF CLERK REPORTS

The Chief Clerk records:

Assembly Bill 378

Presented to the Governor on Monday, July 14.

PATRICK E. FULLER
Assembly Chief Clerk

EXECUTIVE COMMUNICATIONS

State of Wisconsin
Office of the Governor
Madison

July 15, 2003

To the Honorable Members of the Assembly:

The following bill, originating in the Assembly, has been approved, signed and deposited in the office of the Secretary of State:

<u>Bill Number</u>	<u>Act Number</u>	<u>Date Approved</u>
AB 378 (In part)	31	July 15, 2003

Respectfully submitted,
JAMES DOYLE
Governor

GOVERNOR’S VETO MESSAGE

July 15, 2003

To the Honorable Members of the Assembly:

I have approved **Assembly Bill 378** as [2003 Wisconsin Act 31](#) and have deposited it in the Office of the Secretary of State. I have exercised the partial veto in Sections 22 and 23.

Assembly Bill 378 makes a significant down payment on future economic growth by helping Wisconsin meet its future energy needs. It will compensate communities that agree to site baseload power plants for the increased demand on its local infrastructure. These additional costs -- in road construction, improved safety and environmental mitigation -- often follow after a community agrees to host the new generation facility.

Assembly Bill 378 marks a significant improvement in the state’s effort to provide the energy necessary to enhance Wisconsin’s economic growth.

I am however making several technical changes that create either inappropriate limitations or inequitable treatment of localities. With my partial veto of these sections, a more comprehensive, flexible and balanced energy strategy is established.

Section 22 [as it relates to municipalities contiguous to baseload plants] provides a payment to a municipality that is contiguous to the location of a baseload electric generating

facility. I am partially vetoing this provision because it creates inequities and may ultimately lead to unnecessary and substantially higher state costs. Before the state begins making incentive payments to localities that do not host a plant, but are instead near a plant, it needs to both consider both the fiscal consequences and develop an evenhanded payment methodology. This provision was crafted to specifically benefit one municipality. A number of other municipalities, however, could likewise be considered to have impacts from nearby power plants yet these local governments would not receive payments. This construct is unfair. As a result of this partial veto, the bill's incentive payments will be limited to localities that host power plants. If payments to neighboring localities are to be considered, this concern should be addressed more broadly and equitably.

Section 22 [as it relates to incentive payments for the location of cogeneration plants] provides an incentive payment to a municipality and county in which a cogeneration plant is located if the plant is completed after December 31, 2003 and before December 31, 2006. I am partially vetoing this provision to eliminate the requirement that a cogeneration plant be completed before December 31, 2006 to receive this payment because this provision is unnecessarily restrictive and may hinder the development of other cogeneration facilities. Since cogeneration makes effective use of what otherwise would be waste heat to increase the benefits provided from the fuels used in producing power, it is prudent to provide this incentive payment to plants completed after December 31, 2006. Under my partial veto of this provision, all localities in which eligible cogeneration plants are completed after December 31, 2003 will receive these incentive payments.

Section 23 prohibits an electric public utility from recovering through its rates the cost of mitigation payments to a locality hosting a power plant except if the mitigation payment agreement is received by the Public Service Commission by June 10, 2003 and the commission finds the agreement to be reasonable. I am vetoing this section because circumstances may still exist in which mitigation payments would be both prudent and constructive. While the incentive payments provided by the bill greatly diminish the need for mitigation payments, extraordinary or unique circumstances may still occur that cannot be anticipated by legislation. Consequently, an avenue for these payments must be available. I am also vetoing this section because it creates an unnecessarily broad restriction on the Public Service Commission's authority that may have unintended consequences. As a result of my veto, the Public Service Commission will be able to employ its current discretion in determining when mitigation payments are appropriate. These payments are expected, however, to be increasingly rare once the incentive payments provided by this bill become effective.

Respectfully submitted,
JAMES DOYLE
 Governor

REFERENCE BUREAU CORRECTIONS

Assembly Bill 162

1. Page 2, line 2: delete "th is" and substitute "this".

REFERRAL OF AGENCY REPORTS

State of Wisconsin
 Department of Health and Family Services
 Madison

July 7, 2003

To the Honorable, the Assembly:

As required by s. 252.04 (11), Wis. Stats., enclosed is the Annual Statewide Immunization Program Report. Please distribute this report to the appropriate standing committees.

Sincerely,
HELENE NELSON
 Secretary

Referred to committee on **Public Health**.

AGENCY REPORTS

State of Wisconsin
 Legislative Audit Bureau
 Madison

July 9, 2003

To the Honorable, the Legislature:

The Department of Employee Trust Funds (ETF) and the Investment Board are partners in administering the Wisconsin Retirement System (WRS). As part of this relationship, ETF relies on investment information the Investment Board provides to properly report WRS investments and returns. During our audit of ETF's 2001 financial statements, we found that an error in information the Investment Board provided ETF resulted in a significant error in the crediting and reporting of the investment account balances for the Milwaukee Retirement Systems, which invest in the WRS investment trust funds. The balances in the Milwaukee Retirement Systems were overstated by a total of \$3.87 million for the period February 2001 through January 2003. The investment balance for the Milwaukee Schools Retirement System was adjusted for its overage, while ETF is attempting to recover funds from the City of Milwaukee Retirement System, which had discontinued its investment in the WRS funds as of June 2002.

The error occurred as the result of human error by Investment Board staff in transcribing information from its custodial bank. However, ETF may have been able to detect the error earlier if it had been more diligent in reviewing information in its financial reports. Further, the error demonstrates a need for additional care and collaboration by both agencies in ensuring that information is correctly calculated and communicated. Both the Investment Board and ETF have responded quickly to correct the error and to take steps to prevent similar errors from occurring in the future.

A more detailed description of the error and the responses from the Investment Board and ETF on their plans to implement recommendations are attached.

Respectfully submitted,
JANICE MUELLER
State Auditor

State of Wisconsin
Legislative Audit Bureau
Madison

July 9, 2003

To the Honorable, the Legislature:

We have completed a review of the State's purchasing card program through which state employees use credit cards to make low-dollar purchases for state business purposes. Purchasing cards represent a new way of paying for needed goods and services and offer increased flexibility by eliminating the need to prepare and submit purchase orders. In July 2002, approximately 17,500 purchasing cards were held by state employees at 43 state agencies and throughout the University of Wisconsin (UW) System. In fiscal year 2001-02, \$86.3 million in goods and services were purchased with the cards, with an average purchase amount of \$196.

Our review of 7,339 purchasing card transactions at five state agencies and three campuses found that abuse of the purchasing card was very rare. In all, we identified 449 exceptions. Most exceptions were purchases for valid

business items; however, under Department of Administration or agency purchasing guidelines, these purchases should have been made using an invoice or purchase order. We also identified 107 transactions that appeared to be misuse of the cards, but we found apparent employee abuse of the card in only 2 transactions. We were unable to identify the purpose or the items purchased for 106 transactions.

While we found no evidence of widespread abuse, oversight of purchasing card transactions is important and could be improved, particularly at the campuses we visited. We offer several best practices for agencies and campuses to consider as they seek to improve their management of the program. We also include recommendations for improving guidelines to avoid cardholder errors, as well as for lapsing the purchasing card rebate amount received from the vendor to the funds that supported the original purchases. In calendar year 2002, the rebate amount was \$751,100.

We appreciate the courtesy and cooperation extended to us by the Department of Administration, which administers the purchasing card program, and by the departments and UW campuses we reviewed: Corrections, Health and Family Services, Natural Resources, Transportation, Veterans Affairs, UW-Madison, UW-Milwaukee, and UW-Parkside. The Department of Administration's response follows the appendix.

Respectfully submitted,
JANICE MUELLER
State Auditor