



# STATE OF WISCONSIN Assembly Journal

## Ninety-Sixth Regular Session

TUESDAY, October 5, 2004

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

### SPEAKER'S APPOINTMENTS

September 24, 2004

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

Dear Patrick:

I have appointed Representative Steve Wieckert to the Education Reform Committee to fill the vacancy created when Representative Scott Jensen resigned from the committee.

Sincerely,  
*JOHN G. GARD*  
Speaker

### COMMUNICATIONS

State of Wisconsin  
Revisor of Statutes Bureau  
Madison

**DATE:** October 1, 2004

**TO:** Patrick E. Fuller  
Assembly Chief Clerk

Robert Marchant  
Senate Chief Clerk

**FROM:** Gary L. Poulson  
Assistant Revisor of Statutes

**SUBJECT:** Rules published in the September 30, 2004,  
Wisconsin Administrative [Register, No. 585](#).

The following rules have been published:

<a href="#">Clearinghouse Rule 01-081</a>	effective	10-1-2004
<a href="#">Clearinghouse Rule 02-046</a>	effective	10-1-2004
<a href="#">Clearinghouse Rule 03-121</a>	part eff.	10-1-2004
	part eff.	1-1-2005

<a href="#">Clearinghouse Rule 04-008</a>	effective	10-1-2004
<a href="#">Clearinghouse Rule 04-011</a>	part eff.	11-1-2004
	part eff.	4-1-2005
<a href="#">Clearinghouse Rule 04-014</a>	effective	10-1-2004
<a href="#">Clearinghouse Rule 04-015</a>	effective	10-1-2004
<a href="#">Clearinghouse Rule 04-029</a>	effective	10-1-2004
<a href="#">Clearinghouse Rule 04-030</a>	effective	10-1-2004
<a href="#">Clearinghouse Rule 04-034</a>	part eff.	10-1-2004
	part eff.	1-1-2006
<a href="#">Clearinghouse Rule 04-037</a>	effective	10-1-2004
<a href="#">Clearinghouse Rule 04-042</a>	effective	10-1-2004
<a href="#">Clearinghouse Rule 04-046</a>	effective	10-1-2004

### REFERRAL OF AGENCY REPORTS

State of Wisconsin  
Department of Natural Resources  
Madison

September 15, 2004

To the Honorable, the Assembly:

As required by s. 292.25, Wis. Stats., the Department of Natural Resources is pleased to submit the attached report regarding the status of the Voluntary Party Liability Exemption (VPLE) environmental cleanup process. As required by law, this report is being submitted to the Governor, the Department of Administration, and the Legislature. If you have any questions regarding this report, please contact Darsi Foss from my staff at (608) 267-6713.

Sincerely,  
*SCOTT HASSETT*  
Secretary

Referred to committee on **Natural Resources**.

State of Wisconsin  
Department of Administration  
Madison

September 23, 2004

To the Honorable, the Legislature:

This report is transmitted as required by s. 20.002(11)(f), Wisconsin Statutes, (for distribution to the appropriate standing committees under s. 13.172(3), Wisconsin Statutes), and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of

balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative cash balances during the month of August 2004.

On August 1, 2004, the **General Fund** cash balance closed at a negative \$431.4 million. The fund's negative cash balance continued intermittently until August 27, 2004, when the fund's cash balance closed at a positive \$34.9 million. The fund reached an intramonth low cash balance of a negative \$436.8 million on August 11, 2004. The negative balance was due to a difference in the timing of revenues and expenditures.

On August 1, 2004, the **Medical Assistance Trust Fund** cash balance closed at its intramonth low of a negative \$203.8 million. The fund's negative cash balance continued through August 31, 2004, when the fund's cash balance closed at a negative \$199.6 million. The deficit is due to federal revenues falling short of estimates included in Wisconsin Act 33.

On August 1, 2004, the **University Trust – Principal Fund** cash balance closed at its intramonth low of a negative \$3.2 million. The fund's negative cash balance continued through August 31, 2004, when the fund's cash balance closed at a negative \$2.5 million. The negative balance was due to a coding error and has since been corrected.

The General Fund, Medical Assistance Trust Fund, and the University Trust – Principal Fund shortfalls were not in excess of the statutory interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority, and as a result, the funds requiring the use of the authority will effectively bear the interest cost.

Sincerely,  
*MARC J. MAROTTA*  
Secretary

Referred to committee on **Ways and Means**.

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State of Wisconsin  
Department of Commerce  
Madison

September 29, 2004

To the Honorable, the Assembly:

Please find enclosed a copy of the State of Wisconsin 2004 Consolidated Annual Plan to address statewide housing and community development needs. The Plan was submitted to the U.S. Department of Housing and Urban Development as part of the State's annual funding application for:

- \* Small Cities Community Development Block Grants (CDBG),
- \* HOME Investment Partnership (HOME),
- \* Emergency Shelter Grants (ESG), and

- \* Housing Opportunities for Persons with AIDS (HOPWA).

Section [560.9802 \(4\)](#), Wis. Stats., requires the Department to submit a copy of this state housing strategy plan to the Governor and the Chief Clerks of each house of the legislature before October 1 of each year.

If you have any questions regarding the plan, please contact Marty Evanson, Director, Bureau of Housing, at (608) 267-2713.

Sincerely,  
*JAMES O'KEEFE, ADMINISTRATOR*  
Division of Community Development

Referred to committee on **Housing**.

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State of Wisconsin  
Department of Administration  
Department of Natural Resources  
Madison

September 30, 2004

To the Honorable, the Legislature:

Attached please find the Environmental Improvement Fund Biennial Finance Plan for the 2005-2007 biennium.

Environmental Improvement Fund program legislation (s. [281.59 \(3\)](#), Wis. Stats.) requires the Department of Natural Resources and the Department of Administration to submit the final version of the Biennial Finance Plan to the Legislature and to the State Building Commission. The purpose of the plan is to provide information on loan, loan subsidy, and bonding levels for program operations in the 2005-2007 biennium.

If you have any questions regarding the Biennial Finance Plan, please contact Robert Ramharter at 266-3915 or Michael Wolff at 267-2734.

Sincerely,  
*MICHAEL WOLFF*  
Finance Program Administrator,  
Department of Administration  
*THOMAS J. NIEBAUER*  
Bureau of Community Financial  
Assistance, Department of Natural  
Resources

Referred to committee on **Natural Resources**.

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State of Wisconsin  
Office of State Employment Relations  
Madison

September 30, 2004

To the Honorable, the Assembly:

I am pleased to submit the Fiscal Year 2004 report on employment of costumers of the Wisconsin Works (W-2) program. This report includes a description of each agency's

efforts to employ W-2 job seekers, shows the number of W-2 job seekers employed by each agency, and the classification title of each position filled, from July 1, 2003 through June 30, 2004.

If you have any questions or need additional information regarding this report, please contact Kathryn A. Moore at 266-9472 or by e-mail at [kathryn.moore@oser.state.wi.us](mailto:kathryn.moore@oser.state.wi.us).

Sincerely,  
*KAREN E. TIMBERLAKE*  
Director

Referred to committee on **Children and Families**.

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Supreme Court of Wisconsin  
Director of State Courts  
Madison

October 1, 2004

To the Honorable, the Legislature:

Pursuant to s. [758.19 \(5\)\(i\)](#), Wis. Stats., the information reported to the Director of State Courts under ss. [758.19 \(5\)\(e\)](#) and [758.19 \(6\)\(d\)](#), Wis. Stats., by Wisconsin's counties has been compiled and is herein submitted. Under ss. [758.19 \(5\)\(e\)](#) and [758.19 \(6\)\(d\)](#), Wis. Stats., each county is required to submit an annual report to the Director of State Courts which provides information on the actual amount expended in the previous calendar year for court costs relating to the circuit court support and the guardian ad litem payments programs. Statutes prohibit the Director of State Courts from requiring counties to submit audited annual reports to ensure accurate, uniform information. As a result, due to the differing and inconsistent accounting practices among and within counties, the following reported expenditures are not comparable among counties.

Sincerely,  
*A. JOHN VOELKER*  
Director of State Courts

Referred to committee on **Children and Families**.

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State of Wisconsin  
Wisconsin Women's Council  
Madison

October 1, 2004

To the Honorable, the Legislature:

Wisconsin Statutes § [16.01 \(2\)\(g\)](#) requires the Council to submit a biennial report on its activities to the Governor and to the Chief Clerk of each house of the legislature. This letter is intended to fulfill this statutory requirement. A list of Council Members and a budget/staffing summary for the 2001-2003 biennium are provided in Attachments.

Questions about the Wisconsin Women's Council and requests for additional copies of this report may be directed to

the Wisconsin Women's Council, 101 East Wilson, 8th Floor, Madison, WI 53703, or by telephone at (608) 266-2219.

Respectfully submitted,  
*CHRISTINE LIDBURY*  
Executive Director

Referred to committee on **Children and Families**.

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State of Wisconsin  
University of Wisconsin Hospital and Clinics  
Madison

October 2004

To the Honorable, the Legislature:

The University of Wisconsin Hospitals and Clinics Authority (UWHCA) was created in 1995 by Chapter [233](#), Wisconsin Statutes, to assume operations of the University of Wisconsin Hospitals and Clinics (UWHC), effective June 29, 1996. Section [233.04 \(1\)](#) requires the Authority to submit an annual report to the Wisconsin Legislature on its "patient care, education, research and community service activities and accomplishments." UWHCA is governed by a Board of Directors. The composition of the Board and means of selecting members are specified by Chapter [233](#), Wisconsin Statutes, which provides for 13 voting members and two non-voting members.

Referred to committee on **Health**.

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## AGENCY REPORTS

State of Wisconsin  
Legislative Audit Bureau  
Madison

September 28, 2004

To the Honorable, the Legislature:

As requested by the Joint Legislative Audit Committee, we have completed an evaluation of Wisconsin's process for determining eligibility for Medical Assistance program benefits, including BadgerCare. The State's Medical Assistance program is administered by the Department of Health and Family Services (DHFS), which contracts with counties to determine eligibility and provide case management services. A total of \$4.3 billion in state and federal funds is budgeted for Medical Assistance benefits in fiscal year (FY) 2004-05.

Concerns have been raised about the accuracy of the eligibility determination process, in part because applicants are no longer required to provide supporting documentation for wages and other information used to establish eligibility. We found that eligibility determinations are generally correct. However, in 6.5 percent of the 200 cases we reviewed, worker errors affected program eligibility. In addition, improving the mail-in application and allowing workers greater discretion in requesting documentation of income may improve the accuracy of eligibility determinations.

In 12.9 percent of an additional 101 cases we reviewed, individuals had been inappropriately denied benefits. Moreover, we estimate that approximately 1,100 individuals were inappropriately denied benefits in January 2004, the month we reviewed, because a longstanding computer system problem was not resolved until July 2004, only after we had raised the issue with DHFS staff during the course of our fieldwork.

Although we found limited evidence of recipient fraud, program integrity efforts to prevent fraud and abuse are important program functions. We found that program integrity efforts vary substantially across counties and that Wisconsin appears to be unusual in relying on benefit

recoveries to fund these efforts. County officials have raised concerns about the nature and level of program integrity funding and are concerned about the sustainability of these efforts. We include a recommendation for DHFS to report to the Joint Legislative Audit Committee on its plans to address program integrity needs.

We appreciate the courtesy and cooperation extended to us by DHFS and county staff. DHFS's response follows the appendices.

Sincerely,  
*JANICE MUELLER*  
State Auditor