State of Wisconsin
2005 – 2006 LEGISLATURE

LRB–1877/P5
ALL:all:all

PRELIMINARY DRAFT – NOT READY FOR INTRODUCTION

AN ACT **relating to:** state finances and appropriations, constituting the executive budget act of the 2005 legislature.

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 2005–07 fiscal biennium.

The bill repeals and recreates the appropriation schedule in chapter 20 of the statutes, thereby setting the appropriation levels for the 2005–07 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 Aging and long–term care board.
XX03 Agriculture, trade and consumer protection.
XX04 Arts board.
XX05 Building commission.
XX06 Child abuse and neglect prevention board.
XX07 Circuit courts.
XX08 Commerce.
XX09 Corrections.
XX10 Court of appeals.
XX11 District attorneys.
XX12 Educational communications board.
XX13 Elections board.
XX14 Employee trust funds.
XX15 Employment relations commission.
XX16 Ethics board.
XX17 Financial institutions.
XX18 Fox River Navigational System Authority.
XX19 Governor.
XX20 Health and Educational Facilities Authority.
XX21 Health and family services.
XX22 Higher educational aids board.
XX23 Historical society.
XX24 Housing and Economic Development Authority.
XX25 Insurance.
XX26 Investment board.
XX27 Joint committee on finance.
XX28 Judicial commission.
XX29 Justice.
XX30 Legislature.

XX31 Lieutenant governor.
XX32 Lower Wisconsin state riverway board.
XX33 Medical College of Wisconsin.
XX34 Military affairs.
XX35 Natural resources.
XX36 Public defender board.
XX37 Public instruction.
XX38 Public lands, board of commissioners of.
XX39 Public service commission.
XX40 Regulation and licensing.
XX41 Revenue.
XX42 Secretary of state.
XX43 State employment relations, office of.
XX44 State fair park board.
XX45 Supreme Court.
XX46 Technical college system.
XX47 Tourism.
XX48 Transportation.
XX49 Treasurer.
XX50 University of Wisconsin Hospitals and Clinics Authority.
XX51 University of Wisconsin Hospitals and Clinics Board.
XX52 University of Wisconsin System.
XX53 Veterans affairs.
XX54 Workforce development.
XX55 Other.

For example, for general nonstatutory provisions relating to the historical society, see SECTION 9123. 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 "55" (**other**) within each type of provision.

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 abbreviations appearing in the analysis.

DATCP . . . Department of Agriculture, Trade and Consumer Protection
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
WHEDA . . Wisconsin Housing and Economic Development Authority
WHEFA . . . Wisconsin Health and Educational Facilities Authority

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*** **ANALYSIS FROM –0496/1** ***

AGRICULTURE

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

*** **ANALYSIS FROM –1247/1** ***

This bill authorizes DATCP to award grants to increase the use of agricultural products and wastes as energy sources, to reduce the generation or increase the beneficial use of agricultural wastes, and to encourage the development of biochemicals from agricultural products. A grant may not exceed $300,000.

*** **ANALYSIS FROM –0495/1** ***

This bill authorizes DATCP to make loans for the development of rural business enterprises or for rural economic development using federal funds.

*** **ANALYSIS FROM –0494/2** ***

Under current law, DATCP generally pays partial reimbursement to owners for the value of their livestock, including farm–raised deer, that DATCP orders to be destroyed because of exposure to disease. Under this bill, if DATCP orders an animal to be destroyed because it is suspected to have a transmissible spongiform encephalopathy, such as chronic wasting disease, and the owner disposes of the animal as directed by DATCP, DATCP reimburses the owner also for the costs of destroying and disposing of the animal.

*** **ANALYSIS FROM –0774/P4** ***

COMMERCE AND ECONOMIC DEVELOPMENT

Economic development

Current law authorizes the Department of Commerce (department) to award, from the Wisconsin development fund (WDF): 1) a grant to a person for capitalizing

a revolving loan fund to promote local or regional economic development; 2) a "rapid response" loan to a person to purchase equipment or purchase, renovate, or construct a building; 3) a grant to a business group to investigate reorganizing or reincorporating an existing business as an employee–owned business; 4) a grant to a small business for preparing a proposal for a federal program; 5) a grant to fund the preliminary stages of the expansion or start–up of a business located in an urban area; and 6) grants to the Wisconsin Procurement Institute to secure federal government contracts and create jobs.

Current law also authorizes the department, at the request of the Development Finance Board (board), to award, from the WDF, a grant or loan to any of the following: 1) a business or consortium for technical research related to technology development; 2) a business for customized labor training; 3) a major economic development project (defined as a project that is necessary to retain or create a significant number of jobs, that will lead to significant capital investment in the state, or that will make a significant contribution to the state's economy), if the project is not eligible for technology development or customized labor training grants or loans; and 4) a business, public entity, or nonprofit organization for researching, developing, and marketing products and processes related to certain types of pollution or waste.

This bill eliminates the technology development, customized labor training, major economic development, and technology and pollution control and abatement programs, as well as the programs for revolving loan fund capitalization, rapid response loans, employee ownership assistance, urban area early planning, and the Wisconsin Procurement Institute. The bill authorizes the department, at the request of the board, to award a grant or make a loan of WDF funds to an eligible governing body or person for any of the following: capital financing; worker training; entrepreneurial development; assisting technology–based businesses or businesses at a foreign trade show; promoting urban or regional economic development; establishing revolving loan funds; providing working capital; and promoting employee ownership.

Under the bill, in deciding whether to award a WDF grant or loan, the board must consider, among other factors, whether the project serves a public purpose and whether the project might not occur without the grant or loan. The bill eliminates certain factors from the board's consideration of whether a project will be located in a targeted area. The bill requires the department to establish procedures and conditions for WDF grants and loans, including a matching requirement of at least 25 percent.

***** ANALYSIS FROM –1272/P1 *****

This bill requires the department to designate certain areas as extremely depressed areas and authorizes the department to award a grant for up to five years to a business that locates in an extremely depressed area (which must be an area with an unemployment rate equal to or exceeding 150 percent of the statewide average unemployment rate) if the business will create at least 100 qualifying jobs in the area. Under the bill, the department may award a grant only if the business agrees to pay at least 90 percent of the new employees a family–supporting wage and

to make every reasonable effort to fill at least 75 percent of the new jobs with individuals who reside in the extremely depressed area.

*** **ANALYSIS FROM –1614/P3** ***

This bill authorizes the department to award a grant to an employer to provide a job training program for the employer's employees if the employer will create a significant number of high–paying jobs or will retain a significant number of jobs. The department may also award a grant to an employer for training employees who do not earn a family–supporting wage if the employer agrees to pay a family–supporting wage to employees who complete the training program and there is significant potential for additional wage increases. Employers must develop training programs with a technical college or other training provider, and grant proceeds may be paid directly to the technical college or other training provider.

*** **ANALYSIS FROM –1227/1** ***

This bill appropriates to the Department of Tourism, from the transportation fund, an amount equal to 40 percent of the fees imposed on certain rental vehicles to pay for tourism marketing.

*** **ANALYSIS FROM –0718/P3** ***

Currently, under the Enterprise Development Zone Program, the department may allocate tax credits to eligible businesses that conduct certain economic activities in areas designated as enterprise development zones. The department may not designate more than 79 enterprise development zones unless it obtains the approval of JCF. This bill eliminates the cap on the number of enterprise development zones the department may designate without JCF's approval and limits the total amount of tax benefits allocated under the program to $243,000,000.

*** **ANALYSIS FROM –0470/P2** ***

Currently, the department may award a gaming economic development grant to improve the profitability of a business that has been negatively affected by a casino, a gaming economic diversification grant to diversify the economy of a community or to remediate brownfields, and a business employees' skills training grant for training a business's current or prospective employees. Under current law, the department awards these grants directly to qualified businesses. This bill authorizes the department to contract with and pay the grant directly to persons who provide the qualified businesses the assistance for which the grants are made.

*** **ANALYSIS FROM –1212/1** ***

This bill prohibits Forward Wisconsin, Inc., from spending $1,000,000 of appropriated money in the 2006–07 fiscal year unless DOA certifies that Forward Wisconsin, Inc., has raised $2,000,000 in private donations.

*** **ANALYSIS FROM –1594/P2** ***

COMMERCE

Under current law, the department awards grants to technology–based nonprofit organizations to support a manufacturing extension center. This bill transfers administration of this grant program to the Technical College System Board and prohibits the board from awarding a grant to a technical college district or to a corporation or foundation created for the benefit of a district.

*** **ANALYSIS FROM –1827/3** ***

Under current law, alcohol beverages are generally distributed to consumers under a three–tier distribution system (manufacturer, wholesaler, and retailer). DOR issues intoxicating liquor wholesalers' permits authorizing the sale of intoxicating liquor (wine and distilled spirits) at wholesale from the premises described in the permit to intoxicating liquor retailers and to other wholesalers. With limited exceptions, a manufacturer may not hold any direct or indirect interest in a wholesaler and a manufacturer or wholesaler may not hold any direct or indirect interest in a retailer.

Under this bill, any intoxicating liquor sold by a wholesaler must be physically unloaded at the wholesaler's premises prior to being delivered to a retailer or to another wholesaler, and the wholesaler's premises must be capable of warehousing intoxicating liquor. Also, a wholesaler must annually sell and deliver intoxicating liquor to at least ten retailers that do not have any direct or indirect interest in each other or in the wholesaler. If a wholesaler violates these requirements, in addition to the current penalty of a fine or imprisonment or both, a court may order the forfeiture of profits gained from the violation and the wholesaler's permit revoked. A retailer that receives a benefit from a wholesaler violation, with knowledge of the circumstances giving rise to the violation, is subject to similar penalties.

Under current law, DOR may suspend or revoke any alcohol beverages permit if the permit holder violates any legal requirement. This bill allows DOR to suspend or revoke wholesalers' permits based upon written allegations, including allegations of third parties, without a hearing.

Under current law, upon request by the secretary of revenue, the attorney general may represent this state or assist a district attorney in prosecuting any alcohol beverages violation, but DOR may not prosecute such violations. This bill authorizes DOR to represent the state in prosecuting violations of the wholesaler requirements created by the bill. The bill also allows wholesalers, retailers, and trade associations to prosecute violations of the wholesaler requirements created by the bill if DOR fails to timely render a decision on a complaint made to DOR.

***** ANALYSIS FROM –0738/2 *****

HOUSING

Currently, DOA may not allocate more than $3.2 million of federal funds to pay for assistance to meet weather–related or fuel supply shortage emergencies. This bill eliminates this restriction.

***** ANALYSIS FROM –1225/1 *****

Under current law, WHEDA maintains a surplus fund, which generally consists of assets that are not required to pay the cost of issuing bonds or notes, to make loans, or to honor agreements with bondholders and noteholders. This bill requires WHEDA to pay $2,500,000 in each fiscal year of the 2005–07 biennium to the state from this surplus fund.

***** ANALYSIS FROM –1255/2 *****

OTHER COMMERCE AND ECONOMIC DEVELOPMENT

This bill increases the fees that DFI charges a foreign corporation when the corporation files its annual report or applies for a certificate of withdrawal (which withdraws authority for the corporation to transact business in this state).

*** ANALYSIS FROM –0502/1 ***

This bill doubles the maximum fee that the department may charge for licenses and registrations issued to plumbers, utility contractors, pipelayers, and contractors installing or maintaining automatic fire sprinklers. The bill also doubles the maximum term for these licenses and registrations, as well as the term for plumbing supervisors that the department employs.

*** ANALYSIS FROM –1660/3 ***

CORRECTIONAL SYSTEM

ADULT CORRECTIONAL SYSTEM

Under current law, DOC and DHFS operate the Drug Abuse Correctional Center Program in Winnebago, which provides substance abuse treatment for prison inmates transferred there. If DOC determines that an inmate has successfully completed the program, the inmate is released early to parole or extended supervision. Inmates convicted of certain violent crimes or certain offenses against children are not eligible for early release under this program. Inmates who are sentenced under the "Truth in Sentencing" law are eligible only if the court authorizes their participation. This bill authorizes DOC to establish similar treatment and release programs at any state prison.

*** ANALYSIS FROM –0252/2 ***

Under current law, DOC may lease space within adult or juvenile correctional institutions to one or two private businesses to employ inmates or residents to manufacture products or provide services for sale on the open market. The earnings of an inmate or resident employed under this program must be used for compensating victims of crimes, supporting the person's dependents, and paying for room and board, among other things. This bill eliminates DOC's authority to operate the private business prison employment program.

*** ANALYSIS FROM –0251/1 ***

Current law provides that, with certain exceptions, DOC must charge each person on probation, parole, or extended supervision a fee to cover some of the costs of supervising the person. This bill authorizes DOC to charge a person who is required to register as a sex offender and is on probation, parole, or extended supervision or otherwise in DOC's custody an annual fee of up to $50. DOC may use the proceeds of the fee to cover some of its costs of supervising persons on probation, parole, or extended supervision.

*** ANALYSIS FROM –0247/3 ***

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 by law. This bill increases the assessments for care in a juvenile correctional facility, treatment facility, foster home, or group home, for corrective sanctions services, and for aftercare services and decreases the assessments for care in a residential care center for children and youth or treatment foster home.

*** **ANALYSIS FROM –1862/1** ***
*** **ANALYSIS FROM –1624/2** ***

Current law requires DOC, under the Community Intervention Program, to distribute $3,750,000 each year to counties for early intervention services for juvenile first offenders and for intensive community–based intervention services for seriously chronic juvenile offenders. This bill transfers administration of the Community Intervention Program to the Office of Justice Assistance in DOA.

*** **ANALYSIS FROM –0550/2** ***

COURTS AND PROCEDURE

CIRCUIT COURTS

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 –1417/P4** ***

This bill creates a $20 child abuse prevention and child mental health surcharge and requires a court to impose the surcharge on each misdemeanor offense or count and on each felony offense or count when it imposes a sentence or places a person on probation. Of the surcharge $6 is used by the Child Abuse and Neglect Prevention Board for grants to organizations, and $14 is used by DHFS for grants to certain counties and tribal governing bodies for programs for alcohol and other drug abuse problems. If an inmate in a state prison or a person sentenced to a state prison has not paid the surcharge, DOC must assess the amount owed from the inmate's wages or other moneys.

*** **ANALYSIS FROM –1118/P1** ***

Under current law, the clerk of circuit court must charge a justice information system surcharge of $9 from persons who must pay certain specified fees. Under current law, two–ninths of the surcharge is used for the development and operation of automated justice information systems and six–ninths is issued for the operation of circuit court automated information systems. This bill increases the surcharge to $12, five–twelfths of which is used for for the development and operation of automated justice information systems and one–half of which is used for the operation of circuit court automated information systems. One–twelfth is deposited into the general fund and is not earmarked for any particular program.

*** **ANALYSIS FROM –0539/P3** ***

Under current law, if a court imposes a sentence or places a person on probation, the court must impose a crime victim and witness assistance surcharge. The surcharge is $50 for each misdemeanor offense or count and $70 for each felony offense or count. Of the surcharge $30 for each misdemeanor and $50 for each felony is used to reimburse counties for services to victims and witnesses of crimes. This bill increases the surcharge to $60 for each misdemeanor and $85 for each felony. Of the surcharge $40 for each misdemeanor and $65 for each felony is used to reimburse counties for the services to victims and witnesses of crimes.

*** **ANALYSIS FROM –1059/P2** ***

Under current law, with some exceptions, if a court imposes a sentence, places a person on probation, or imposes a forfeiture for a violation of state law or a violation of a municipal or county ordinance, a court must impose a $7 crime laboratories and drug law enforcement surcharge. This bill increases the surcharge to $8.

*** **ANALYSIS FROM –1736/1** ***

This bill increases the penalty surcharge, which a court imposes whenever it imposes a fine or forfeiture for most violations of state laws or local ordinances, from 24 percent to 25 percent of the fine or forfeiture imposed. The bill also increases the percentage of the money collected from this surcharge that is used to train law enforcement, jail, and secure detention officers and for crime laboratory equipment from 48 percent to 49.5 percent.

*** **ANALYSIS FROM –1670/3** ***

OTHER COURTS AND PROCEDURE

This bill appropriates money to the Office of Justice Assistance in DOA and directs the office to pay the amounts appropriated to the Wisconsin Trust Account Foundation, Inc., to be awarded as grants to programs that provide civil legal services to indigent persons. The Wisconsin Trust Account Foundation, Inc., was created by the Supreme Court to allocate the money received from interest on lawyers' trust accounts to programs that provide civil legal services to indigents. The grants may be used only for assisting Wisconsin Works participants with medical claims, developing discharge plans for mentally ill inmates, coordinating insurance benefits for medical assistance recipients, providing ancillary services to juvenile offenders, obtaining child support, and acting as a guardian ad litem in cases with the Bureau of Milwaukee Child Welfare.

*** **ANALYSIS FROM –0546/1** ***

This bill authorizes DOJ to bring an action for injunctive or other equitable relief against a person who interferes with the exercise or enjoyment by an individual of a right secured by the constitution or laws of this state or of the United States.

*** **ANALYSIS FROM –1737/1** ***

Generally, under current law, a county elects its own district attorney, but the district attorney and deputy and assistant district attorneys are state employees. DOA provides administrative assistance to district attorney offices. This bill transfers the administrative assistance duties to DOJ.

*** **ANALYSIS FROM –1554/3** ***

CRIMES

Under current law, the term of probation for a person convicted of a single misdemeanor is six months to two years. Under this bill, if a person is convicted of a Class A misdemeanor (for which the maximum term of imprisonment is generally nine months), the initial maximum term of probation is one year. If a person is convicted of any other type of misdemeanor, the initial maximum term of probation is six months, and there is no minimum term. Neither of these maximum terms of probation applies, however, if the person committed the misdemeanor while possessing a firearm or if the conviction is for an act of domestic abuse, for having nonconsensual sexual contact with another person, or for a misdemeanor under

chapter 948 of the statutes (which covers certain crimes against children). In such a case, the initial maximum term of probation is two years.

*** **ANALYSIS FROM –1660/3** ***

This bill directs the Sentencing Commission to review sentences imposed on individuals who are convicted of nonviolent offenses, other than those relating to operating a vehicle while under the influence of an intoxicant, or with a restricted controlled substance or a prohibited level of alcohol in his or her blood, and to develop recommendations for alternative dispositions for these individuals that may be used by courts at or before sentencing.

*** **ANALYSIS FROM –0420/2** ***

EDUCATION

PRIMARY AND SECONDARY EDUCATION

Current law allows a school board to enter into a five–year renewable achievement guarantee (SAGE) contract with DPI to reduce class size and improve academic achievement in grades kindergarten to three in exchange for receiving $2,000 for each low–income pupil enrolled in grades eligible for SAGE funding in the school district. The most recent set of SAGE contracts expires at the end of the 2005–06 school year.

This bill authorizes another set of SAGE contracts, starting in the 2006–07 school year, and increases the $2,000 per pupil payment to $2,250 in the 2005–06 fiscal year and $2,500 in subsequent fiscal years for these new contracts and for renewals of existing contracts.

*** **ANALYSIS FROM –0425/4** ***

Beginning in the 2006–07 fiscal year, this bill authorizes DPI to award grants to school boards to implement four–year–old kindergarten programs. A school board is eligible for an initial grant of up to $3,000 for each pupil enrolled in a four–year–old kindergarten program in the school district and a second grant of up to $1,500 for each such pupil.

*** **ANALYSIS FROM –1588/3** ***

This bill directs DPI to award grants of up to $100,000 to no more than 20 school districts for the design, development, and implementation of a differentiated compensation program for teachers in the 2005–07 fiscal biennium. To be eligible for a grant, a program must base all or part of teacher salary increases on one or more of the following factors:

1. An increase in a teacher's knowledge about teaching or about the subjects he or she teaches or an improvement in a teacher's teaching skills.

2. The assumption by a teacher of additional responsibilities, including mentoring other teachers.

3. The assignment of a teacher to a grade level or subject area in which there are teacher shortages.

4. The assignment of a teacher to a school that is difficult to staff or that is low in pupil performance.

The bill directs DPI to establish a competitive process for awarding grants, to give preference in awarding grants to school districts in which the teachers, the community, and the businesses in the community support the grant, and to make

reasonable efforts in awarding grants to reflect the diversity of school districts on various factors.

*** **ANALYSIS FROM –0607/2** ***

*** **ANALYSIS FROM –1592/1** ***

Current law limits the amount of revenue that a school district may obtain from general school aids, computer aid, and the property tax levy. If a school district's revenue in any school year is less than its revenue limit for that school year, the revenue limit otherwise applicable in the subsequent school year is increased by an amount equal to 75 percent of the difference between the revenue limit in the preceding school year and the school district's actual revenue for that school year.

This bill increases that subsequent revenue limit for such a school district to the entire difference between the revenue limit in the preceding school year and the actual revenue for that school year.

Under current law, a school district's revenue limit is based on a three–year rolling average of its enrollment. This bill sets a school district's revenue limit at the amount calculated using a three–year or five–year rolling average of its enrollment, whichever yields the higher amount.

*** **ANALYSIS FROM –0605/2** ***

Currently, a school district with per pupil revenue below $7,800 in any school year is exempt from school district revenue limits. This bill raises the amount to $8,100 in the 2005–06 school year and to $8,400 in subsequent school years.

*** **ANALYSIS FROM –1566/2** ***

Current law requires a school board annually to publish a summary of its proposed budget before it holds a public hearing on the budget. This bill requires the summary to include, for the proposed budget, the current budget, and the budget in the previous fiscal year, the school district's general fund balance at the end of the fiscal year divided by the school district's general fund expenditures in that fiscal year, expressed as a percentage. The budget summary must also include, for the current and previous fiscal years, the statewide average school district general fund balance at the end of the fiscal year divided by the statewide average school district general fund expenditures in that fiscal year, expressed as a percentage.

The bill also provides that if a school board adopts a proposed budget in which the school district's general fund balance at the end of the fiscal year divided by the school district's general fund expenditures in that fiscal year will exceed an amount equal to 90 percent of the statewide average school district general fund ratio of balance to expenditures in the previous fiscal year, the school board must approve the excess by a separate vote.

*** **ANALYSIS FROM –0393/2** ***

Under current law, the state reimburses school boards and private schools 10 cents for each breakfast served under the School Breakfast Program. This bill raises the reimbursement rate to 15 cents.

*** **ANALYSIS FROM –0396/3** ***

*** **ANALYSIS FROM –0609/2** ***

This bill increases the reimbursement rates for school district pupil transportation and changes the funding source for school transportation aid from the general fund to the transportation fund.

*** **ANALYSIS FROM –0423/3** ***

Under current law, a school board, board of control of a cooperative educational service agency, county children with disabilities education board, or an independent charter school established by the University of Wisconsin–Milwaukee, the University of Wisconsin–Parkside, Milwaukee Area Technical College, or the city of Milwaukee is eligible to receive state aid for certain special education costs, such as salaries for special education personnel and transporting children with disabilities. Other costs, such as providing nursing care or assistive technology for children with disabilities, are not reimbursable under state or federal law. Beginning in the 2006–07 school year, this bill provides state aid for these costs equal to 90 percent of the amount by which these costs exceeded $30,000 per child in the previous school year.

*** **ANALYSIS FROM –0395/2** ***

Current law authorizes the employment of teachers, school social workers, school psychologists, and coordinators of special education, who are licensed by DPI, for a special education program. The salaries of these employees are eligible for state reimbursement through special education aid.

Beginning in the 2006–07 fiscal year, this bill allows the employment of licensed school counselors for special education programs and provides that the cost of their salaries is eligible for reimbursement through special education aid.

*** **ANALYSIS FROM –0400/3** ***

This bill directs DPI to award grants to persons who employ individuals licensed by DPI as initial educators in positions that require a DPI teaching license. The amount of the grant is equal to the amount that the employer is spending to provide a mentor for the initial educator, but not more than $375 for each initial educator so employed. The employer must use the funds to provide a mentor for each initial educator.

*** **ANALYSIS FROM –0399/1** ***

Current law directs DPI to award a grant to any person who is certified by the National Board for Professional Teaching Standards, licensed by DPI as a teacher or employed as a teacher in a private school, and employed as a teacher in this state. This bill provides that a teacher who is licensed by DPI as a master educator is also eligible for the grant.

*** **ANALYSIS FROM –0370/1** ***

This bill creates a grant program, funded with Indian gaming revenue, under which a person may apply to DPI for a grant of up to $30,000 to: (1) impart to pupils an appreciation of different value systems and cultures; (2) promote pupils' understanding of human relations, particularly with regard to American Indians; or (3) assist pupils, schools, and communities in appreciating racial and cultural diversity. The bill also appropriates Indian gaming revenue for the American Indian Language and Culture Eduction Program, which DPI administers.

*** **ANALYSIS FROM –1648/2** ***

This bill provides state aid to nonsectarian private or tribal schools in which at least 75 percent of the pupils enrolled are American Indian. The amount provided is $200 for each pupil who completes the fall semester in the school's American Indian Language and Culture Eduction Program.

This bill requires DPI to award a grant to Beloit College to educate children and adults in southern Wisconsin about Native American cultures.

*** **ANALYSIS FROM –0342/3** ***

This bill directs DPI to award grants to school districts to partially reimburse them for the costs incurred in offering advanced placement courses in high schools that are not currently offering them. A grant may not exceed $300 per pupil enrolled in advanced placement courses.

*** **ANALYSIS FROM –0343/3** ***

This bill directs DPI to award grants to cooperative educational service agencies and the Milwaukee Public Schools for the purpose of providing advanced curriculum and assessments for gifted and talented middle school pupils.

*** **ANALYSIS FROM –1534/3** ***

Current law directs DWD annually to allocate $100,000 from federal Temporary Assistance for Needy Families (TANF) moneys to the Wausau school district for English training for three–, four–, and five–year–old Southeast Asian children. This bill shifts funding for this purpose to DPI and to general purpose revenue. The bill also eliminates the Head Start supplement from TANF funds.

*** **ANALYSIS FROM –1762/2** ***

This bill directs DPI to award grants to nonprofit organizations in the 2005–06 fiscal year to support programs that train community–based adult literacy staff and to establish new volunteer–based programs in areas of the state that need adult literacy services. A grant may not exceed $25,000.

*** **ANALYSIS FROM –0401/1** ***

This bill authorizes DPI to assist in the establishment of, and to participate in, a consortium of state education agencies organized to obtain funds for the purchase of an English language proficiency assessment system.

*** **ANALYSIS FROM –1521/3** ***

HIGHER EDUCATION

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 he or she: 1) graduated from a Wisconsin high school or received a high school graduation equivalency from Wisconsin; 2) was continuously present in Wisconsin for at least three years 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 U.S. Citizenship and Immigration Services as soon as he or she is eligible to do so. The bill also

provides that such persons are to be considered residents of this state for purposes of admission to and payment of fees at a technical college.

*** **ANALYSIS FROM –0368/1** ***

Current law grants certain veterans an exemption from nonresident tuition at the UW System even if they were not Wisconsin residents at the time of entry or reentry into active duty. This bill grants the exemption only to a veteran who was a Wisconsin resident at the time of entry or reentry into active duty.

*** **ANALYSIS FROM –1840/1** ***

Current law authorizes the Board of Regents of the UW System to award nonresident tuition exemptions to different categories of students, but the number of remissions for each category is limited. This bill eliminates these limits.

*** **ANALYSIS FROM –1606/1** ***

Currently DHFS and the Department of Commerce, in conjunction with the UW System's State Laboratory of Hygiene (lab), conduct federal Occupational Safety and Health Administration (OSHA) testing, pursuant to a contract with OSHA. This bill transfers the entire responsibility for this testing, along with incumbent employees and positions, to the lab.

*** **ANALYSIS FROM –1839/1** ***

This bill requires the Board of Regents of the UW System to file a plan with DOA to eliminate 200 UW System administrative positions. Unless the secretary of administration approves the plan, the board loses the authority to create or abolish faculty and academic staff positions from general program operations funding during the 2006–07 fiscal year.

*** **ANALYSIS FROM –1838/2** ***

This bill requires the Board of Regents of the UW System to submit to the secretary of administration by August 1, 2006, a report that describes by position classification and campus the faculty and instructional staff positions that were created from July 1, 2004, to July 1, 2006, to promote access to the UW System.

*** **ANALYSIS FROM –1866/1** ***

This bill directs the Board of Regents of the UW System to allocate certain amounts of money from the UW System general program operations appropriation for implementing the recommendations of the UW System Committee on Baccalaureate Expansion and for the UW–Rock County Engineering Initiative.

*** **ANALYSIS FROM –1520/1** ***

This bill requires DOA annually to lapse from three UW System appropriations the amount of money equal to the amount spent from a DOJ appropriation for legal advice regarding UW's public broadcasting.

*** **ANALYSIS FROM –1636/2** ***

Current law authorizes a technical college district board to charge an additional fee for a short–term, professional development, vocational–adult seminar or workshop offered to individuals who are employed in a related field. The additional fee may not exceed an amount equal to the full cost of the seminar or workshop less the normal program fee. This bill eliminates this restriction on the amount of the additional fee but provides that the seminar or workshop may not consist of more than 24 hours of instruction.

*** ANALYSIS FROM –1486/1 ***

OTHER EDUCATIONAL AND CULTURAL AGENCIES

Under current law, DOA administers an Educational Telecommunications Access Program under which DOA provides Internet access and two–way interactive video links to educational agencies. Under that program, an educational agency, subject to certain exceptions, may request access to either one data line for Internet access or one video link and is charged a monthly fee for that access. Any costs incurred by DOA that exceed that monthly fee are paid from the universal service fund, which is a separate trust fund that consists of contributions made by certain telecommunications providers and that is used to promote universal access to telecommunications services (universal service). In addition, DOA receives aid from a federal program that supports universal service, commonly referred to as the E–Rate Program, that DOA uses to pay administrative expenses and to reimburse the Building Commission for public debt incurred in providing educational technology infrastructure to school districts and public libraries.

This bill permits an elementary school, a secondary school, or a library to request data lines, video links, and bandwidth access in addition to what is provided under the Educational Telecommunications Access Program. The bill requires DOA to apply for aid under the E–Rate Program to cover the costs of the additional data lines and video links and the additional bandwidth access and, to the extent that the aid does not cover those costs, to require an elementary school, secondary school, or library to pay DOA a monthly fee that is sufficient to cover those costs.

*** ANALYSIS FROM –1510/2 ***

Under current law, the Educational Approval Board (EAB) inspects and approves private trade, correspondence, business, and technical schools (EAB–approved schools) to protect the students, prevent fraud, and encourage accepted educational standards at those schools. Currently, the EAB is attached to DVA. This bill transfers the EAB to the Technical College System Board.

Under current law, the EAB may seek a court order to take possession of an EAB–approved school's records if the records are in danger of being destroyed, secreted, mislaid, or otherwise made unavailable. Current law, however, exempts from the oversight of the EAB tax–exempt schools that were incorporated in this state before January 1, 1992, or that had their headquarters and principal places of business in this state before 1970; schools that are licensed or approved, and supervised, by other state agencies; schools approved by DPI for the training of teachers; and schools accredited by accrediting agencies recognized by the EAB (schools not approved by the EAB).

This bill permits the EAB to take possession of the student records of an EAB–approved school or a school not approved by the EAB if the school discontinues its operations, proposes to discontinue its operations, or is in imminent danger of discontinuing its operations as determined by the EAB and if the EAB determines that those records are in danger of being destroyed, secreted, mislaid, or otherwise made unavailable to the persons who are the subjects of those records. The bill also permits the EAB to seek a court order authorizing the EAB to take possession of the student records of an EAB–approved school or a school not approved by the EAB if

necessary to protect those records from being destroyed, secreted, mislaid, or otherwise made unavailable to the persons who are the subjects of those records.

*** **ANALYSIS FROM –1789/1** ***

Under current law, the Higher Educational Aids Board awards Wisconsin higher education grants (WHEG grants) to undergraduates enrolled at least half time at nonprofit public institutions of higher education or tribally controlled colleges in this state. Currently, a WHEG grant may not exceed $2,500 for any academic year. WHEG grants for UW System students are funded in part from moneys received by the UW System for auxiliary enterprises, such as dining halls and parking facilities. This bill increases the maximum grant amount to $3,000 for any academic year and eliminates the UW System's auxiliary enterprises as a funding source for WHEG grants.

Under current law, the Arts Board must provide grants to individuals or groups of exceptional talent engaged in the arts and may contract with individuals, organizations, units of government, and institutions for services furthering the development of the arts and humanities. This bill requires the Arts Board to provide grants to American Indian individuals or groups of exceptional talent engaged in the arts and permits the Arts Board to contract with American Indian individuals, organizations, institutions, and tribal governments for services furthering the development of the arts and humanities.

*** **ANALYSIS FROM –1826/1** ***

Current law authorizes six unclassified division administrator positions for the State Historical Society of Wisconsin. This bill reduces that number to five.

*** **ANALYSIS FROM –0352/4** ***

EMPLOYMENT

Under current law, in local government employment other than law enforcement and fire fighting employment, if a dispute relating to the terms of 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, after investigation, 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 one alternative to a single arbitrator, WERC may provide for an arbitration panel that consists of one person selected by each party and one person selected by WERC. As another alternative, WERC may provide a process that allows for a random selection of a single arbitrator 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.

Under current law, however, this process does not apply to a dispute over economic issues involving a collective bargaining unit consisting of school district professional employees if WERC determines, subsequent to an investigation, that the employer has submitted a qualified economic offer (QEO). Under current law, a

QEO consists of a proposal to maintain the percentage contribution by the employer to the employees' existing fringe benefit costs and the employees' existing fringe benefits and to provide for an annual average salary increase having a cost to the employer at least equal to 2.1 percent of the existing total compensation and fringe benefit costs for the employees in the collective bargaining unit plus any fringe benefit savings. This bill eliminates the QEO exception from the compulsory, final, and binding arbitration process.

***** ANALYSIS FROM –1700/1 *****

***** ANALYSIS FROM –1305/1 *****

Under the current prevailing wage law, certain laborers, workers, mechanics, and truck drivers employed on a state or local project of public works must be paid at the rate paid for a majority of the hours worked in the person's trade or occupation in the county in which the project is located. Current law requires each contractor, subcontractor, and agent performing work on a project that is subject to the prevailing wage law to keep records indicating the name and trade or occupation of every person performing work that is subject to the prevailing wage law and an accurate record of the number of hours worked by each of those persons and the actual wages paid for those hours worked. This bill requires a contractor, subcontractor, or agent performing work on a project that is subject to the prevailing wage law, other than a state highway project, to submit on a weekly basis a certified record of that information for the preceding week to the local governmental unit or state agency authorizing the work.

***** ANALYSIS FROM –1623/1 *****

Under current law, DWD collects an annual assessment from each worker's compensation insurer and self–insured employer doing business in this state and uses the assessments to administer the worker's compensation program. This bill requires DWD to use a portion of the assessments to conduct a study of injuries to health care workers caused by lifting; to develop and distribute informational materials that promote a lift–free working environment for health care workers; and to distribute grants to health care facilities and providers to assist in implementing a lift–free working environment for health care workers.

***** ANALYSIS FROM –1306/2 *****

Current law requires the Wisconsin Technical College System (WTCS) Board to provide a school–to–work program, including a school–to–work program for children–at–risk in Milwaukee County, and a work–based learning program under which the WTCS Board awards grants to tribal colleges for programs that provide occupational training and work–based learning experiences to youths and adults. This bill transfers administration of these programs to the Governor's Work–Based Learning Board.

***** ANALYSIS FROM –1560/3 *****

***** ANALYSIS FROM –0462/1 *****

ENVIRONMENT

WATER QUALITY

Under the Clean Water Fund Program, Wisconsin makes loans at subsidized interest rates for projects for controlling 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 2005–07 biennium at $136,600,000. The bill also increases the general obligation bonding authority for the Clean Water Fund Program by $9,600,000.

Under the Safe Drinking Water Loan Program, Wisconsin makes loans at subsidized interest rates to local governmental units for projects for the construction or modification of public water systems. This bill sets the present value of the Safe Drinking Water Loan Program subsidies that may be provided during the 2005–07 biennium at $13,500,000. The bill also increases the general obligation bonding authority for the Safe Drinking Water Loan Program by $6,100,000.

*** **ANALYSIS FROM –0453/3** ***

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 $6,000,000.

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

*** **ANALYSIS FROM –0458/2** ***

Under current law, DNR compensates landowners or lessees of properties on which contaminated wells are located for the costs of treating the well water or of constructing a new well or obtaining clean water from another source. This bill authorizes DNR also to provide compensation for claims solely for the costs of abandoning a well that is unused or that poses a hazard to health or safety.

*** **ANALYSIS FROM –1360/2** ***

AIR QUALITY

The federal Clean Air Act requires certain stationary sources of air pollution, such as large factories, to obtain operation permits from DNR. State law requires additional stationary sources of air pollution to obtain operation permits. Under current law, DNR sets the fees to be paid by the operator of any stationary source for which an operation permit is required. The fees are based on the amount of pollutants that a stationary source emits.

This bill sets different fees for stationary sources of air pollution for which an operation permit is required under state law, but not under the Clean Air Act. The fees are $1,500 per year or $3,000 per year depending on the type of operation permit. The bill also sets fees of $300 per year for stationary sources that are exempt from the requirement to obtain an operation permit but that annually emit more than three tons of a regulated pollutant.

*** **ANALYSIS FROM –1603/6** ***

*** **ANALYSIS FROM –1361/4** ***

*** **ANALYSIS FROM –1602/2** ***

OTHER ENVIRONMENT

This bill transfers $10,860,600 in fiscal year 2005–06 and $20,000,000 in fiscal year 2006–07 from the petroleum inspection fund to the general fund. The bill transfers $5,842,100 in fiscal year 2005–06 and $5,742,100 in fiscal year 2006–07

from the recycling fund to the general fund. The bill also transfers $4,200,000 in fiscal year 2005–06 and $800,000 in fiscal year 2006–07 from the environmental fund to the general fund.

*** **ANALYSIS FROM –0462/1** ***

Under the Land Recycling Loan Program, Wisconsin makes interest–free loans to political subdivisions for projects to remedy contamination at sites owned by the political subdivisions where the contamination has affected, or threatens to affect, groundwater or surface water. This bill sets the present value of the Land Recycling Loan Program subsidies that may be provided during the 2005–07 biennium at $3,300,000.

*** **ANALYSIS FROM –0454/1** ***

Current law authorizes DNR to remedy environmental contamination in some situations. This bill increases the authorized general obligation bonding authority to finance that remedial action by $3,000,000.

*** **ANALYSIS FROM –1362/1** ***

This bill authorizes DNR to contract with a nonprofit organization for services to assist businesses to reduce the amount of solid waste they generate or to reuse or recycle solid waste.

*** **ANALYSIS FROM –1612/3** ***

Current law imposes a recycling fee of $3 per ton on most solid waste that is disposed of at a landfill. This bill exempts from the recycling fee waste material that is disposed of by companies that make paper or paperboard from wastepaper, that cannot be used to make paper or paperboard, and that was acquired in the normal course of recycling.

*** **ANALYSIS FROM –0461/2** ***

Current law authorizes persons, including government agencies, to use electronic means to conduct transactions. This bill authorizes DNR to charge fees to cover the costs of electronically conducting transactions under the environmental programs administered by DNR.

*** **ANALYSIS FROM –1795/4** ***

GAMBLING

Current law prohibits any employee in the Lottery Division of DOR (division) from being employed by a lottery vendor while an employee in the division and for two years following the person's termination of employment. This bill eliminates the two–year provision if DOR has entered into a contract with the vendor to perform lottery functions that were previously performed by the employee while he or she was employed in the division. In addition, the bill provides that DOR may not enter into a contract for lottery services unless the contract requires the vendor to offer employment to those employees in the division who performed those services and whose positions were terminated.

Under current law, DOR may contract with retailers to sell lottery tickets. However, DOR may not contract with retailers who are delinquent in paying state taxes or in making contributions to the unemployment reserve fund. This bill prohibits DOR from contracting with retailers who owe payments to the work injury supplemental benefit fund as a result of the death or maiming of an employee or who

owe payments to the uninsured employers fund (which is used to pay compensation to injured employees of employers who do not have worker's compensation insurance).

***** ANALYSIS FROM –0304/P2 *****

This bill authorizes DOR to use the procedures under current law for assessing, collecting, and reviewing delinquent income and franchise taxes to assess, collect, and review any unpaid amount owed by a retailer to DOR in connection with the state lottery.

***** ANALYSIS FROM –1649/5 *****

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

Under current law, DHFS must collect and analyze health care information from health care providers other than hospitals and ambulatory surgery centers and, from the data collected, prepare certain reports. The Board on Health Care Information, attached to DHFS, advises DHFS on the collection, analysis, and dissemination of health care information, oversees the reports issued by DHFS, and develops direction for health care information collection.

This bill eliminates the Board on Health Care Information on October 1, 2005, and replaces it with a nine–member Health Care Quality and Patient Safety Board (HCQPSB), attached to DOA, which assumes the duties and powers of the Board on Health Care Information. In addition, the bill directs the HCQPSB to study and make recommendations concerning the feasibility of creating a centralized physician information database; study and make recommendations regarding the rules required and authorized to be promulgated by DHFS concerning the collection, analysis, and dissemination of health care information; develop a plan to deploy health care information systems technology for health care quality, safety, and efficiency; annually assess the extent to which health care providers use automated information and decision support systems; develop a plan to automate all health care systems by 2010; and award grants or make loans to clinics, health maintenance organizations, hospitals, or physicians for various projects.

The bill prohibits DHFS from enforcing rules promulgated before the date this bill becomes law that relate to the collection from physicians of workforce and practice information, health care plan affiliations, and hospital privileges and from dentists, chiropractors, and podiatrists of workforce and practice information. Beginning July 1, 2007, the bill also prohibits DHFS from enforcing rules promulgated before that date that relate to physician claims data. DHFS may promulgate rules that relate to the collection and dissemination of health care information only after HCQPSB approves them.

The bill creates the health care quality improvement fund, a segregated fund that consists of moneys transferred from the injured patients and families compensation fund, the net proceeds of certain revenue obligations, a portion of the annual assessments levied on health care providers other than hospitals and ambulatory surgery centers, the repayment of any loans made by the HCQPSB, and any moneys transferred by the secretary of administration. Moneys in the health care quality improvement fund are used for the general program operations of the

HCQPSB, for grants awarded or loans made by the HCQPSB, and for benefits under the Medical Assistance (MA) program, including payments for direct graduate medical education, a major managed care supplement, a pediatric services supplement, rural hospital supplements, and an essential access city hospital.

Under current law, WHEFA provides financial assistance to health facilities and hospitals. This bill prohibits WHEFA from providing financial assistance unless the health facility or hospital demonstrates to the HCQPSB that the health facility or hospital is making efforts to improve medical technology.

Under current law, certain health care providers are required to carry health care liability insurance with specified liability limits. The injured patients and families compensation fund pays, on behalf of a health care provider who is subject to the health care liability insurance requirements, the portion of a medical malpractice claim that exceeds the limits of the health care provider's health care liability insurance. Moneys in the fund are derived from annual assessments paid by the health care providers who are subject to the health care liability insurance requirements.

This bill transfers $169,703,400 in fiscal year 2005–06 and $9,714,000 in fiscal year 2006–07 from the injured patients and families compensation fund to the health care quality improvement fund, as created in the bill.

*** **ANALYSIS FROM –1649/1** ***

This bill creates a program for the issuance of revenue obligations to fund MA costs. The amount of expenditures for the program that may be paid from these revenue obligations may not exceed $130,000,000. The bill provides that 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.

*** **ANALYSIS FROM –0311/3** ***

Currently, DHFS administers several programs under waivers of federal Medicaid laws under which MA recipients who reside in certain institutions or who meet certain levels of care requirements are relocated into their communities and provided home and community–based services and long–term care support services.

This bill authorizes DHFS to request a waiver of federal Medicaid laws to provide home or community–based services to MA recipients who have serious mental illnesses and who meet certain level of care requirements for services in nursing homes. If DHFS receives the waiver, DHFS may use federal Medicaid funds to contract with a county or a private agency to administer the home or community–based services under the Community Opportunities and Recovery Program created in the bill.

*** **ANALYSIS FROM –1089/5** ***

This bill requires DHFS to collect assessments on health maintenance organizations (HMOs) that contract with DHFS to provide health care to recipients of MA or the Badger Care health care program (BadgerCare). The assessment is 6 percent of each HMO's annual gross revenues. The first assessment is due on March 31, 2006. The assessments are deposited into the MA trust fund, from which DHFS annually must distribute moneys to supplement MA payments and BadgerCare

payments to HMOs, to assist in meeting increasing costs, and for other reimbursement needs that DHFS identifies.

*** **ANALYSIS FROM –0261/1** ***

Under current law, a family, or a child who does not reside with his or her parent, may be eligible for health care coverage under BadgerCare if the child's or family's income does not exceed 185 percent of the federal poverty line and the child or family meets certain nonfinancial criteria.

This bill expands BadgerCare to provide health care coverage to an unborn child whose mother is not eligible for BadgerCare or for MA, except for certain emergency services. Current income requirements apply. The unborn child and the unborn child's mother must also meet the current nonfinancial eligibility requirements, except that the unborn child is not required to have a social security number and the unborn child's mother need not be a U.S. citizen or a qualifying alien, may be an inmate of a public institution, and need not provide a social security number if she is not a U.S. citizen or qualifying alien.

*** **ANALYSIS FROM –0560/2** ***

Under current law, nursing homes and intermediate care facilities for the mentally retarded (ICFMRs) must pay to the state an assessment on each bed for which they are licensed. The assessments are $75 per calendar month per licensed bed of a nursing home and $445 per calendar month per licensed bed of an ICFMR. A portion of the bed assessment revenue is used to pay MA benefits.

This bill increases the amount of the assessment per licensed bed of a nursing home to up to $125 per calendar month and the amount of the assessment per licensed bed of an ICFMR to up to $523 per calendar month in fiscal year 2005–06 and up to $587 per calendar month in fiscal year 2006–07.

*** **ANALYSIS FROM –0747/1** ***

Under current law, DHFS reimburses school districts, cooperative educational service agencies (CESAs), and DPI 60 percent of the amount that the state receives as federal Medicaid reimbursement for health care services that school districts, CESAs, and DPI provide in schools to pupils who are eligible for MA. DHFS may supplement MA payments for these services if the total of the reimbursement and the supplements does not exceed federal Medicaid payment limitations. This bill eliminates the authority for DHFS to supplement MA payments for school–based services provided to pupils who are eligible for MA.

Currently, DHFS administers a Community Integration Program (CIP II), under which MA is paid to counties to provide home and community–based services to elderly and physically disabled persons who meet the requirements for MA–reimbursed nursing home care or who are relocated from facilities to the community.

This bill authorizes DHFS to provide enhanced CIP II funding for home and community–based services to an MA–eligible person who relocates from a facility to the community, if the number of people served does not exceed the number of nursing home beds delicensed by DHFS.

*** **ANALYSIS FROM –1302/2** ***

Under current law, DHFS provides MA payments to nursing homes and some community–based residential facilities under a detailed formula that assigns cost–based payment for certain items and flat–rate payment for others. Beginning July 1, 2006, this bill changes the payment formula from cost–based to flat–rate for nonbillable direct care costs for registered nurses, licensed practical nurses, and nurse's assistants.

Currently, in calculating amounts payable for direct care costs, DHFS must establish separate standards for facilities that primarily serve the developmentally disabled. Further, DHFS must establish the direct care component of the facility payment rate for each facility by comparing actual allowable direct care cost information for that facility, as adjusted for inflation, to the applicable standard. Beginning July 1, 2006, this bill eliminates differences in standards for payment of direct care costs between facilities that primarily serve the developmentally disabled and those that do not, and eliminates the requirement that DHFS compare a facility's actual allowable direct care costs to the standard.

***** ANALYSIS FROM –0264/2 *****

Under current law, children who are in foster care and under the age of 18 are eligible to receive MA. This bill extends eligibility for MA on January 1, 2007, to an individual who is 18 or 19 years old, and on January 1, 2008, to an individual who is 20 years old, and who on his or her 18th birthday was in foster care or treatment foster care.

***** ANALYSIS FROM –0879/4 *****

Current law authorizes DHFS to recover overpayments that DHFS made under MA that resulted from a misstatement or omission of fact by an applicant that would have affected an MA recipient's eligibility for MA benefits.

This bill provides that DHFS may also recover MA overpayments that resulted from the failure of a recipient to report changes in status that would have affected the recipient's eligibility for benefits or his or her cost–sharing requirements. The bill provides that DHFS may recover BadgerCare overpayments for the same reasons for which DHFS may recover MA overpayments.

The bill also provides that if an MA or BadgerCare recipient fails to repay the overpaid amount, DHFS may bring an action to enforce repayment or issue an order to compel repayment. This bill provides for the recovery of overpayments through a state income tax refund setoff process.

***** ANALYSIS FROM –0746/4 *****

Under current law, the Community Aids Program (CAP) is funded from state general purpose revenues and federal block grant moneys; under it, DHFS distributes moneys to county departments of social services, human services, community programs, and developmental disabilities services for community social, mental health, developmental disabilities, and alcohol and other drug abuse services and certain other services. Until January 1, 2006, DHFS may, from general purpose revenues for CAP, pay for certain MA services provided by the county departments and by local health departments and pay providers of MA personal care, home health, and respiratory care services. This bill eliminates the January 1, 2006, sunset on these payments.

Under current law, during 2006, DHFS must make payments from the MA trust fund to hold county departments and local health departments harmless for the elimination, from July 26, 2003, to January 1, 2006, of the community services deficit reduction benefit (CSDRB), under which counties and local health departments could claim federal Medicaid matching funds to cover costs for MA services provided that were not fully reimbursed. This bill eliminates that requirement, authorizes payments from the general purpose revenues for CAP to city health departments for this purpose, and eliminates the recommencement of CSDRB.

*** **ANALYSIS FROM –0124/1** ***

Current law prohibits DHFS from reimbursing a provider for certain elective surgical procedures under MA unless the patient receives a second medical opinion regarding the appropriateness of the procedure. This bill eliminates the requirement for second medical opinions for elective surgical procedures under MA.

*** **ANALYSIS FROM –0260/2** ***

Under current law, as a benefit under MA, DHFS pays the charge for transportation by an emergency medical vehicle to obtain emergency medical care and transportation by a specialized medical vehicle or, if first approved by the county department of human services or social services (county department), by a common carrier or private motor vehicle to obtain nonemergency medical care. Under the bill, DHFS pays on behalf of an MA recipient the charge for transportation by an emergency medical vehicle to obtain emergency medical care and to obtain nonemergency medical care if transportation by other means is contraindicated. Otherwise, DHFS pays the charge for transportation to obtain nonemergency medical services only if it is provided through an entity with which DHFS has contracted to manage transportation services for MA.

*** **ANALYSIS FROM –0541/2** ***

Under BadgerCare, a child or family with an income of at least 150 percent of the federal poverty level is required to contribute up to 5 percent of income to the cost of the health care, including a copayment of $1 for each prescription for a generic drug and a copayment of $3 for each prescription for a brand name drug.

This bill directs DHFS to request one or more waivers from the federal Department of Health and Human Services to implement cost–saving measures under BadgerCare that may include: 1) a three–tiered prescription drug copayment requirement that does not exceed the maximum copayment amount established by the Group Insurance Board for state employees; 2) a benchmark plan, which is described in federal regulations as health care coverage that is substantially equal to the health care coverage offered to federal or state employees or to a health insurance plan offered by a health maintenance organization that has the largest commercial enrollment in the state of persons who do not have coverage under; and 3) mandatory copayments for benefits in addition to the copayments for prescription drugs.

Also under current law, when an MA recipient or a person with coverage under BadgerCare or SeniorCare, which provides prescription drug assistance for low–income elderly persons, purchases a prescription drug, he or she pays a copayment and then DHFS reimburses the pharmacy an amount that is based on a

national average wholesale price, plus a percentage or amount for a dispensing fee. Under this bill, DHFS must investigate alternatives to using this methodology for reimbursement for brand name drugs purchased or dispensed under MA, BadgerCare, and SeniorCare, and must report its findings, conclusions, and recommendations to DOA.

*** **ANALYSIS FROM –0350/1** ***

Currently under CIP, MA recipients who reside in state centers for the developmentally disabled or other institutions or who meet certain levels of care are relocated into their communities and provided home and community–based services by counties. DHFS reimburses the counties. Counties may not use the money to purchase land or construct buildings. This bill permits counties to use the moneys to purchase land or construct buildings if the purchase or construction is determined necessary by DHFS.

*** **ANALYSIS FROM –0265/3** ***

PUBLIC ASSISTANCE

Under current law, DHFS administers a number of public assistance programs under which eligible persons receive financial, health care, or other types of assistance. This bill authorizes DHFS to recover benefits incorrectly paid under any of these assistance programs, and provides that DHFS may recover overpayments by reducing the benefits of a family or individual who received the overpayments and who is still receiving benefits. The bill authorizes DHFS to specify by rule other methods for recovering incorrectly paid benefits, and provides for recovery of these incorrectly paid benefits through a state income tax refund setoff process.

Current law directs DWD to investigate suspected fraud on the part of participants in the Aid to Families with Dependent Children (AFDC) Program and participants in the Wisconsin Works (W–2) Program and to reduce payment errors in W–2. DHFS may contract with DWD for DWD to investigate suspected fraud and to conduct activities to reduce payment errors under MA and the food stamp program, both of which DHFS administers.

Under the bill, DHFS must investigate suspected fraud and reduce payment errors in the programs that it administers, and DWD may contract with DHFS for DHFS to investigate suspected fraud and conduct payment error reduction activities in the programs that DWD administers. In addition, the bill adds three DHFS–administered programs to the programs for which fraud must be investigated and payment error reduction activities must be conducted: BadgerCare, the program under which DHFS provides state supplemental payments to persons eligible to receive supplemental security income (SSI), and the program under which DHFS makes monthly payments for the support of dependent children to custodial parents who are receiving SSI or state supplemental payments.

*** **ANALYSIS FROM –0878/1** ***

Under current law, DHFS contracts with county departments, and may contract with American Indian tribal governing bodies, to administer MA, BadgerCare, the food stamp program, and the cemetery, funeral, and burial expenses program, known collectively as "income maintenance" programs, and reimburses the

county departments and tribal governing bodies for their costs of administering those programs.

This bill provides that DHFS, a county department, or a tribal governing body may request from any person information that is appropriate and necessary for determining or verifying eligibility or benefits for a recipient under any of the income maintenance programs. A person who receives a request for information must provide the information. The bill also authorizes DHFS, a county department, or a tribal governing body to compel production of evidence for determining or verifying eligibility or benefits for an income maintenance program recipient, and prohibits DHFS, a county department, or a tribal governing body from disclosing, for any purpose not connected with administration of the income maintenance program, information obtained as a result. In addition, the bill provides that no person is liable for allowing access to information in response to a request from DHFS, a county department, or a tribal governing body or for any other action taken in good faith to comply with such a request.

***** ANALYSIS FROM –0314/1 *****

Under current law, DHFS reimburses pharmacists and pharmacies for prescription drugs purchased by persons enrolled in SeniorCare. The reimbursement rate is equal to 105 percent of the prescription drug reimbursement rate under MA, plus a dispensing fee, and minus a copayment paid by the SeniorCare enrollee. This bill reduces the reimbursement rate under SeniorCare to 100 percent of the prescription drug reimbursement rate under MA, plus the dispensing fee, and minus the copayment.

***** ANALYSIS FROM –1662/4 *****

Under current law, for each fiscal year DWD allocates moneys, including federal Child Care Development Funds (CCDF) and federal moneys received under the federal Temporary Assistance for Needy Families (TANF) block grant program, for various public assistance programs and for child care–related purposes. This bill sets the amounts of these allocations for fiscal years 2005–06 and 2006–07 and adds an allocation to pay for a share of the costs of a mail–order lending library and information center operated by DPI's Division for Libraries, Technology, and Community Learning. The bill eliminates an allocation for grants for developing early childhood centers for providing outreach and training for parents and training for child care providers, and eliminates the program.

***** ANALYSIS FROM –1597/1 *****

Under current law, county departments pay cemetery, funeral, and burial expenses for decedents who received certain public assistance benefits and whose estates are insufficient to pay those expenses. DHFS must reimburse the county departments for those payments. This bill provides that DHFS must reimburse the county departments for those payments only to the extent that funds are available for this purpose.

***** ANALYSIS FROM –0604/5 *****

This bill appropriates moneys to DWD from recovered overpayments and incorrect or disallowed payments and voluntary repayments of federal CCDF block grant moneys, federal TANF block grant moneys, and state moneys paid to meet the

maintenance–of–effort requirements under those two federal block grant programs. The federal block grant moneys and state maintenance–of–effort moneys are used for various public assistance programs. The appropriation may be used for the recovery costs, activities to reduce errors in W–2 and the child care subsidy program, and any of the other purposes for which CCDF and TANF moneys are used.

***** ANALYSIS FROM –0334/2 *****

WISCONSIN WORKS

Under current law, a person who is eligible for W–2 and who is the custodial parent of a child who is not more than 12 weeks old may receive a monthly grant of $673 and may not be required to work in a W–2 employment position. Current law also provides generally that the period during which one receives a monthly grant as the custodial parent of an infant counts toward the limits that apply to the period during which an individual may receive certain benefits only if the child was born more than ten months after the date on which the individual was first determined to be eligible for W–2.

Under the bill, a custodial parent of a child who is not more than 26 weeks old may receive the monthly grant. The custodial parent is not required to work in a W–2 employment position only if the child is not more than 12 weeks old. In addition, the bill provides that an unmarried woman who would be eligible for W–2 except that she is not a custodial parent, and who is in the third trimester of a medically verified pregnancy that is at risk and renders the woman unable to participate in the workforce, may also receive a monthly grant of $673 and not be required to work in a W–2 employment position. Under the bill, the period during which one receives a monthly grant as the custodial parent of an infant counts toward the limits that apply to the period during which an individual may receive certain benefits regardless of when the child was born in relation to when the individual was first determined to be eligible for W–2. If a pregnant woman who is not a custodial parent receives a monthly grant, however, the period does not count.

***** ANALYSIS FROM –0335/2 *****

Current law directs DWD to continue the creation and implementation of a subsidized work program under W–2. This bill eliminates this directive and instead requires DWD to conduct, from January 1, 2006, to June 30, 2007, a pilot project for a trial jobs plus program. The pilot project must be limited to 1,000 participants and must be conducted in at least one of the geographical areas established for administering the W–2 program that is located in Milwaukee County and in at least two of those geographical areas that are not in Milwaukee County. Under the project, a W–2 agency pays a wage subsidy, as well as a reimbursement of up to 100 percent of federal social security taxes, state and federal unemployment contributions, and worker's compensation insurance premiums, to an employer that employs a project participant and that agrees to make a good faith effort to retain the participant as an unsubsidized employee after the wage subsidy ends if the participant completes the trial job plus. The wage subsidy may not exceed the federal minimum wage for up to 30 hours of work per week, and any required training activities are counted toward the participant's work hours. An individual may participate in a trial job plus for up to six months, with a possible three–month extension.

***** ANALYSIS FROM –1526/3 *****

Under current law, DWD makes job access loans to persons who are eligible for W–2 and who need such loans to obtain or continue employment. The loans are funded with federal TANF block grant moneys, general purpose revenue, and job access loan repayments. This bill eliminates the federal moneys and the general purpose revenue as funding for job access loans, and provides that job access loan repayments may be used for administrative costs associated with collecting delinquent job access loan repayments as well as for job access loans.

***** ANALYSIS FROM –1522/2 *****

Under current law, a child care subsidy is available under W–2 to an individual who needs child care to maintain employment or pursue basic or technical college education. Under this subsidy program, DWD reimburses child care providers directly and distributes funds to county departments and American Indian tribal governing bodies for child care services. County departments are required to set maximum reimbursement rates for child care providers under the subsidy program.

This bill authorizes DWD to establish a tiered reimbursement system for the child care subsidy program, under which the amount that a child care provider would be reimbursed is based on a child care quality rating system established by DWD. The amount paid to a child care provider under the tiered reimbursement system may exceed the maximum reimbursement rate set by the county department.

***** ANALYSIS FROM –0490/P2 *****

This bill changes the procedure for collecting benefits that were overpaid under W–2. Under current law, DWD semiannually pays fees to the clerk of circuit court for filing warrants constituting liens on the real and personal property of overpaid persons but pays fees for filing satisfactions, releases, or withdrawals of warrants when those documents are filed. The bill makes the payment of filing fees for satisfactions, releases, and withdrawals of warrants semiannual also.

Under current law, DWD must issue and file a notice of withdrawal of a warrant if a person who received an overpayment complies with a payment schedule arranged with DWD. This bill makes the issuing and filing of a notice of withdrawal discretionary with DWD.

Under current law, a levy against the property of a person who received an overpayment is effective until it is satisfied or released, or until one year from the date the levy was served, whichever occurs first. Also, any third party in possession of property subject to levy, such as a financial institution at which an overpaid person has an account, is entitled to deduct a levy fee of $5 from the proceeds of the levy. This bill eliminates the one–year time limit so that a levy is effective until satisfied or released, and provides that, if a third party retains a levy fee, the third party must increase the amount of the levy by the fee amount before deducting the fee from the proceeds.

***** ANALYSIS FROM –0084/3 *****

CHILDREN

Under current law, the court assigned to exercise jurisdiction under the Children's Code (juvenile court) may appoint a relative of a child as his or her guardian if the juvenile court makes certain findings, including a finding that the

child has been adjudged to be in need of protection or services and has been placed outside of his or her home under an order of the juvenile court for one year or longer.

This bill permits any person, not just a relative, to be appointed as the guardian of a child who has been adjudged to be in need of protection or services. The bill also eliminates the one–year waiting period and permits a child who has been adjudged to be in need of protection or services or whose parents' parental rights have been terminated to be placed directly in the home of a guardian without first having been placed in another out–of–home placement. In addition, the bill permits the parental rights of a parent of a child in need of protection or services for whom a guardian has been appointed to be terminated on the grounds of abandonment if, when the juvenile court appointed the guardian, the juvenile court provided the parent with notice of any grounds for termination of parental rights that may be applicable and of the conditions necessary for the child to be returned home and the parent has failed to communicate with the child for at least three months.

Currently, a relative who is appointed as the guardian of a child in need of protection or services and who meets certain other requirements is eligible to receive long–term kinship care payments of $215 per month for providing care and maintenance for the child. This bill permits a county department or, in Milwaukee County, DHFS to provide monthly subsidized guardianship payments to a person who is appointed as the guardian for a child in need of protection of services, was the licensed foster parent or treatment foster parent of the child before that appointment, has passed a home inspection and criminal background investigation, and has entered into a subsidized guardianship agreement with the county department or DHFS. The bill also permits a county department or DHFS, upon the death, incapacity, resignation, or removal of the subsidized guardian, to provide monthly subsidized guardianship payments for a period of up to 12 months to an interim caretaker who has passed a home inspection and criminal background investigation.

Under the bill, the amount of a monthly subsidized guardianship payment is equal to the amount of the monthly foster care or treatment foster care payment received by the guardian immediately before the guardianship order was granted. In addition, a subsidized guardian who meets the applicable eligibility requirements is eligible for adoption assistance and for a child care subsidy under W–2 and a child who is in the care of a subsidized guardian and who meets the applicable eligibility requirements is eligible for MA.

***** ANALYSIS FROM –0292/5 *****

Under current law, DHFS administers a child abuse and neglect prevention program under which DHFS awards grants to counties and Indian tribes that offer voluntary home visitation services to first–time parents who are eligible for MA. Current law requires DHFS to determine the amount of a grant awarded to a county or an Indian tribe in excess of the statutory minimum grant amount of $10,000 based on the number of births that are funded by MA in that county or the reservation of that Indian tribe in proportion to the number of those births in all of the counties and the reservations of all of the Indian tribes to which grants are awarded. Currently,

no more than six rural counties, three urban counties, and two Indian tribes may participate in the program.

This bill requires DHFS to determine the amount of a grant in excess of the statutory minimum based on the number of births that are funded by MA in a county or a reservation of an Indian tribe without regard to the number of those births in other counties and reservations. The bill also eliminates the caps on the number of counties and Indian tribes that may participate in the program.

In addition, the bill directs DHFS to award grants to applying county departments, local health departments, Indian tribes, private nonprofit agencies, and local partnerships to provide voluntary, onetime home visits to all first–time parents in the community served by the organization. The purposes of the home visits are to provide the parents with basic information regarding infant health and nutrition, the care, safety, and development of infants, and emergency services for infants; to identify the needs of the parents; and to provide the parents with referrals to programs, services, and other resources that may meet those needs.

*** **ANALYSIS FROM –0293/1** ***

Under current federal law, the state receives payments under Title IV–B of the federal Social Security Act (Title IV–B) for child and family services and under Title IV–E of the federal Social Security Act (Title IV–E) for foster care and adoption assistance. The state is required to have state plans that meet the requirements of the titles, and the programs administered by the state under these titles must be in substantial conformity with the state plan requirements. If the programs are not in substantial conformity, federal law requires a certain percentage of Title IV–B and Title IV–E funds to be withheld from the state. Federal law also requires the state to implement a corrective action plan to achieve substantial conformity and requires the federal Department of Health and Human Services to suspend the withholding of the funds while the corrective action plan is in effect.

This bill appropriates general purpose revenues to DHFS to achieve substantial conformity with the state plan requirements of Title IV–B and Title IV–E.

*** **ANALYSIS FROM –0296/2** ***

Under current law, information received by DHFS, DOC, a county department, or a licensed child welfare agency (collectively "agency") about an individual who is in the care or legal custody of the agency is confidential and may not be disclosed except under certain conditions. Similarly, treatment records concerning an individual who has received services for mental illness, developmental disabilities, alcoholism, or drug dependence that are maintained by DHFS, a county department, or a treatment facility are confidential and may be released without the informed consent of the subject of the record only under certain circumstances.

This bill permits an agency to enter information received about an individual in its care or legal custody, and a person maintaining treatment records to enter information concerning the subject of the record, into the statewide automated child welfare information system (WISACWIS). The bill also permits DHFS, DOC, a county department, or any other organization that has entered into an information sharing and access agreement with DHFS, DOC, or a county department and that

has been approved for access to WISACWIS by DHFS to have access to information concerning a client that is maintained on WISACWIS if access is necessary to enable DHFS, DOC, the county department, or other organization to perform its duties or to delivery services to a client.

*** **ANALYSIS FROM –0404/4** ***

This bill transfers from DHFS to DWD the authority to license day care centers, to promulgate rules establishing minimum requirements for day care center licensure and minimum standards for day care center operation, to inspect and investigate day care centers, and to impose sanctions and penalties for operating a day care center without a license or for violating a provision of day care center licensure or a minimum standard for the operation of a day care center.

This bill requires DWD to provide a child care quality rating system for child care providers licensed by DWD, certified by a county department for reimbursement under W–2, or established or contracted for by a school board. The rating information must be made available, including on DWD's Internet site, to parents, guardians, and legal custodians of children who are recipients, or prospective recipients, of care and supervision from a child care provider.

*** **ANALYSIS FROM –1115/1** ***

This bill increases the age–related basic maintenance rates that are paid by the state or a county department to a foster parent for the care and maintenance of a child.

*** **ANALYSIS FROM –0265/3** ***

This bill permits DHFS or a county department to recover an overpayment of foster care, treatment foster care, kinship care, long–term kinship care, subsidized guardianship, or adoption assistance payments by reducing future payments. The bill also permits DHFS to specify by rule other methods for recovering those payments.

*** **ANALYSIS FROM –1625/3** ***

Under current law, $340,000 in federal TANF block grant moneys is transferred from DWD to the Child Abuse and Neglect Prevention Board (CANPB) in each fiscal year. This bill eliminates this transfer and instead appropriates general purpose revenues to the CANPB to award grants to organizations for the establishment of child abuse and neglect prevention programs, early childhood family education centers, and right from the start projects.

*** **ANALYSIS FROM –1921/1** ***

Under current law, the Office of Justice Assistance in DOA provides $185,000 annually to DHFS for grants for children's community programs, including grants to the Career Youth Development Center in Milwaukee, the Milwaukee Police Athletic League, court–appointed special advocate programs, and the Children's Safe House Child Care Program in Kenosha County. This bill eliminates these grants.

*** **ANALYSIS FROM –0347/2** ***

HEALTH

Under current law, DHFS must establish minimum standards for, register, and otherwise regulate sanitarians, who apply environmental control measures under

the public health laws to prevent and control preventable diseases. This bill transfers the duty to regulate sanitarians from DHFS to DRL.

*** **ANALYSIS FROM –0315/2** ***

Under current law if DHFS is notified that a child under six years of age has an elevated blood lead level, DHFS must ensure that an investigation is conducted of the dwelling where the child resides and any educational or child care facility the child attends. DHFS may investigate a dwelling or educational or child care facility if a child under six years of age who resides in the dwelling or attends the facility has blood lead poisoning or lead exposure. If DHFS determines that a lead hazard is present in the dwelling or educational or child care facility, DHFS may take a variety of actions, including, notifying the owner or ordering the owner to reduce or eliminate the hazard. If DHFS notifies an owner of a dwelling that a child under six years of age who resides in the dwelling has an elevated blood lead level, the owner must obtain either a certificate of lead–free status or a certificate of lead–safe status for the dwelling. DHFS may not authorize the issuance of successive certificates of lead–safe status valid for less than 12 months unless the applicant shows a special need for such a certificate. DHFS must maintain a statewide registry of all issued certificates of lead–free or lead–safe status.

This bill provides that if DHFS determines that a lead hazard is present in a child's dwelling or in an educational or child care facility, the local health department must issue, and DHFS may issue, an order requiring the owner of the premises to reduce or eliminate the lead hazard. The bill eliminates the requirement that the owner of a dwelling obtain a certificate of lead–free or lead–safe status if DHFS notifies the owner that a child under six years of age who resides in the dwelling has an elevated blood lead level.

*** **ANALYSIS FROM –0060/1** ***

Under current law, DHFS funds certain preventive health care services for low–income, underinsured, and uninsured women under the Well–Woman Program. Current law requires that DHFS charge women whose income exceeds 150 percent of the federal poverty line a copayment for breast cancer screenings provided under the Well–Woman Program.

This bill eliminates the copayment for breast cancer screenings under the Well–Woman Program but provides that women whose income exceeds 250 percent of the federal poverty line are not eligible for breast cancer screenings under the program. The bill also allows DHFS to reimburse providers for case management services under the Well–Woman Program.

*** **ANALYSIS FROM –0113/2** ***

Under current law, DHFS makes grants to entities, including technical colleges, to provide training programs and administer examinations that fulfill the emergency medical technician — basic licensure and relicensure requirements. This bill directs DHFS to provide the emergency medical technician — basic training and examination funding directly to ambulance service providers rather than to the entities that provide the training and administer the examinations. The bill requires ambulance service providers to report to DHFS on expenditures of the funds as a

condition of relicensure and requires the Emergency Medical Services Board to recommend a formula for disbursing the funds among ambulance service providers.

*** **ANALYSIS FROM –0976/2** ***

MENTAL ILLNESS AND DEVELOPMENTAL DISABILITIES

Under current law, annually DHFS may allocate funds to public or nonprofit private entities to provide mental health services to homeless individuals with chronic mental illness. This bill transfers to the Department of Commerce the program to provide mental health services to homeless individuals with chronic mental illness.

*** **ANALYSIS FROM –0349/5** ***

This bill requires DHFS to award grants to organizations in fiscal years 2005–06 and 2006–07 to provide screening, assessment, and treatment for female prisoners and offenders from Milwaukee County who have committed nonviolent crimes, to assist in community reintegration, and to provide at–risk assessments and support services for the dependent children of the prisoners and offenders.

The bill also requires DHFS, during the 2005–07 fiscal biennium, to award grants to counties with populations of less than 500,000 and to tribal governing bodies in the counties to promote collaboration among county departments and tribal agencies for the mental health and substance abuse screening, assessment, and treatment of abused and neglected children and their parents.

*** **ANALYSIS FROM –0356/3** ***

Under the current Guardianship Grant Program, DHFS annually awards grants to private, nonprofit agencies and county departments for the purposes of recruiting, training, monitoring, and assisting guardians for persons who are adjudicated incompetent. This bill eliminates the requirement that grant recipients recruit individuals or organizations to act as guardians and monitor their performance and eliminates community need for guardians as a basis for awarding grants.

*** **ANALYSIS FROM –0041/2** ***

Under current law, DHFS must distribute federal funds to phase in initial recovery–oriented mental health system changes, strategies for prevention and early intervention, and consumer and family involvement for individuals with mental illness. DHFS must eliminate funding for each grant recipient after three years and must require that community mental health services developed under a grant are continued by use of savings made available from strategies developed under the grant. This bill eliminates the latter two requirements.

*** **ANALYSIS FROM –0042/1** ***

Under current law, DHFS annually must reduce by $500,000 the amount by which accumulated expenses of providing care for patients of the state mental health institutes exceed the revenues received for providing that care until the expenses are in balance with the revenues. DHFS also must implement a plan to assure that revenues are sufficient to cover anticipated expenditures for providing care for mental health institute patients and report to DOA every three months concerning implementation of the plan. DHFS must report to JCF annually the amount of

expenses that exceed revenues and the actions of DHFS to reduce those expenses. This bill eliminates all of these requirements.

*** **ANALYSIS FROM –1635/3** ***

OTHER HEALTH AND HUMAN SERVICES

Under the current Domestic Abuse Grants Program, DHFS awards grants to organizations that provide various types of domestic abuse services. This bill requires DHFS to award a grant of $563,500 in each fiscal year to the Refugee Family Strengthening Project for providing domestic abuse services to the refugee population, including the cost of hiring bilingual staff persons, especially those who speak Hmong.

*** **ANALYSIS FROM –0312/2** ***

Currently, DHFS administers Family Care, a program that provides a flexible long–term care benefit called the family care benefit. A person must be at least 18 years of age, meet functional and financial eligibility requirements, and have a physical disability, a developmental disability, or infirmities of aging to qualify for the family care benefit. Currently, the family care benefit is an entitlement for certain persons who are eligible for MA. By January 1, 2006, DHFS must extend entitlement to certain persons who are not MA eligible. This bill delays this requirement until January 1, 2008.

*** **ANALYSIS FROM –0270/1** ***

The Health Insurance Risk–Sharing Plan (HIRSP) under current law 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 (HIV); 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; and 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. Specifically excluded from coverage under HIRSP are persons who are eligible for coverage under MA.

This bill provides that persons who are eligible for only certain limited services provided under MA are not ineligible for HIRSP coverage solely because of their eligibility for those MA services.

The bill also specifically provides that persons who are eligible for the following programs or benefits are ineligible for HIRSP coverage: BadgerCare; a program providing long–term care for children with disabilities and their families, including in–home habilitation services for children with autism spectrum disorders; the community integration programs (known as "CIP IA," "CIP IB," and "CIP II"); the waiver program under the Long–Term Support Community Options Program (known as "COP–Waiver"); the Program for All–inclusive Care for the Elderly (known as PACE); the Wisconsin Partnership Program (known as Partnership); and medical assistance provided under the Family Care Program.

*** **ANALYSIS FROM –0269/1** ***

Under current law, a person with coverage under HIRSP (called an "eligible person") who is not covered under Medicare pays a deductible under HIRSP that ranges from $500 to $2,500, an eligible person with Medicare coverage pays a

deductible that is equal to the deductible under part A of Medicare. Current law also provides that HIRSP pays at least 80 percent of an eligible person's covered costs after those costs exceed the person's deductible, and pays 100 percent of covered costs after the aggregate of covered costs not paid by HIRSP and the deductible exceeds $2,000 for an eligible person not covered under Medicare and $500 for an eligible person covered under Medicare. Currently, however, the deductible under part A of Medicare exceeds $500. Thus, under the law, HIRSP begins paying 100 percent of covered costs incurred by an eligible person covered under Medicare before the person has paid the deductible.

This bill corrects this inconsistency and provides that HIRSP pays 100 percent of covered costs for an eligible person covered under Medicare after the covered costs exceed the lesser of $2,000 or the person's deductible, which is equal to the deductible under part A of Medicare.

***** ANALYSIS FROM –0578/P5 *****

Under current law, HIRSP payment rates for prescription drugs are the same as payment rates under MA. This bill allows DHFS, with the approval of the HIRSP Board of Governors, to set HIRSP prescription drug payment rates.

Current law authorizes DHFS to establish, for prescription drug coverage, copayment amounts, coinsurance rates, and copayment and coinsurance out–of–pocket limits over which HIRSP pays 100 percent of the covered costs incurred by the covered person during the remainder of the calendar year. This bill allows DHFS to establish a three–tiered copayment structure for prescription drug benefits. The bill allows DHFS to establish the out–of–pocket limit for prescription drug coverage at $300 for persons who are also covered under Medicare and at $300 or $400 for other covered persons, depending on coverage selected. The bill allows DHFS to provide that only certain copayment amounts count toward the out–of–pocket limit.

***** ANALYSIS FROM –1525/3 *****

Under current law, DHFS may request from health insurers information to enable DHFS to identify MA beneficiaries who are eligible, or who would be eligible as dependents, for health insurance coverage. An insurer that receives a request must provide the information. Under this bill, DHFS must provide any information that it receives from a health insurer to DWD for purposes of DWD's program related to child and spousal support, paternity establishment, and medical support liability. DWD may allow county and tribal child support agencies access to the information, subject to use and disclosure restrictions under current law, and must consult with DHFS regarding procedures to safeguard the confidentiality of the information.

***** ANALYSIS FROM –0309/4 *****

Currently, DHFS and certain providers of direct care or treatment services must conduct background checks of caregivers. DHFS may charge a background check fee, which may not exceed the reasonable costs of conducting the background check. The revenue from these fees along with revenue from other licensing and regulatory fees are appropriated to DHFS for its licensing and regulatory activities.

This bill eliminates the reasonable cost restriction on the amount of background check fees. The bill also authorizes DHFS to use revenue from

background check, licensing, and regulatory fees to investigate abuse, neglect, or misappropriation by caregivers.

*** **ANALYSIS FROM –1744/2** ***

Currently, direct care and treatment providers who are subject to the background check requirement may not employ or contract with a caregiver who has been convicted of a serious crime. If a caregiver is not a Wisconsin resident or resided outside Wisconsin before serving as a caregiver, the provider may request that the caregiver provide fingerprints for a search of criminal history records maintained by the Federal Bureau of Investigation (FBI). A provider may share criminal history information concerning a caregiver with other providers.

This bill provides that if a direct care and treatment provider obtains information from the FBI regarding a caregiver's arrest or conviction record, the provider may use the information only to determine whether the caregiver is disqualified from serving as a caregiver. (A provider may still share criminal history information concerning a caregiver with other providers.) The bill grants to a provider immunity from civil liability for using arrest and conviction information provided by the FBI to make an employment determination regarding the caregiver. The limitation on the use of arrest and conviction information and the civil liability immunity provision apply only to information that a provider requests from the FBI before September 30, 2007.

*** **ANALYSIS FROM –1707/3** ***

This bill authorizes DHFS, upon the request of a county board, to assist in recruiting and training people to provide personal care services. Personal care services are medically oriented activities that assist a person with activities of daily living, such as assistance with bathing, toileting, skin care, and meal preparation.

*** **ANALYSIS FROM –0748/1** ***

Under current law, the state registrar or a local registrar must charge $12 for issuing a copy of a birth certificate. Of this sum, $7 is appropriated to the Child Abuse and Neglect Prevention Board (CANPB) for CANPB expenses, for the Early Childhood Family Education Center Grant Program, for technical assistance, and for grants to organizations for services related to child abuse and neglect. This bill increases the fee for issuance of a copy of a birth certificate to $15, and appropriates $9 to CANPB.

Under current law, for the filing of a birth certificate more than 365 days after the birth, the state registrar must charge $20 plus a fee of $5 for issuance of the birth certificate. This bill increases the latter fee from $5 to $15, and appropriates $9 to CANPB.

*** **ANALYSIS FROM –1416/1** ***

Under current law, DHFS makes two–year loans to establish programs to provide housing for groups of persons who are recovering from alcohol or other drug abuse. This bill eliminates this loan program.

*** **ANALYSIS FROM –1863/2** ***

LOCAL GOVERNMENT

This bill creates levy limits that apply to cities, villages, towns, and counties (political subdivisions) for the property tax levies that are imposed in December 2005

and 2006. Generally, the bill prohibits a city, village, or town from increasing its levy by a percentage that exceeds the sum of 60 percent of the percentage change in the equalized assessed value of new construction located in the region in which the city, village, or town is located plus the rate of inflation. The bill generally prohibits a county from increasing its levy by a percentage that exceeds the sum of 60 percent of the percentage change in the equalized assessed value of new construction located in the county plus the rate of inflation.

This bill provides adjustments to the levy limit for political subdivisions that transfer the provision of services, for cities or villages that annex town territory, and for a county levy that relates to a county Children with Disabilities Education Board. The levy limit may be exceeded if a political subdivision's governing body adopts a resolution to do so and the resolution is approved in a referendum. A town with a population of less than 2,000 may exceed the levy limit if a resolution to do so is approved by the electors at an annual or special town meeting.

Under the bill, a political subdivision's levy limit does not generally apply to any amount levied to pay debt service or to the amount that a first class city (presently only Milwaukee) levies for school purposes. Currently, a first class city school district is not authorized to levy a tax; the city in which the school district is located levies a tax for school purposes.

***** ANALYSIS FROM –1229/5 *****

Under the current Expenditure Restraint Program, the state makes an annual payment to any municipality that has a property tax rate greater than five mills and that limits the growth of its municipal budget according to a formula based, generally, on the sum of 60 percent of the percentage change in the equalized assessed value of new construction located in the municipality plus the rate of inflation.

This bill eliminates the Expenditure Restraint Program and replaces it with the Municipal Levy Restraint Program, under which the state, beginning in 2007, makes an annual payment to any municipality that has a property tax rate greater than five mills and that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on the sum of 60 percent of the percentage change in the equalized assessed value of new construction located in the region in which the municipality is located plus the rate of inflation.

***** ANALYSIS FROM –1231/6 *****

This bill creates the County Levy Restraint Program, under which the state makes an annual payment, beginning in 2007, to any county that limits its property tax levy to an amount that is no greater than the maximum allowable levy according to a formula that is based, generally, on the sum of 60 percent of the percentage change in the equalized assessed value of new construction located in the county plus the rate of inflation.

***** ANALYSIS FROM –1018/2 *****

Under current law, municipalities may enter into agreements to share revenues from taxes and special charges with other municipalities and with federally recognized American Indian tribes or bands if the signatory to an

agreement is contiguous to at least one other signatory. A municipal revenue sharing agreement must be for a minimum term of ten years, describe the boundaries within which the revenues are to be shared, and describe the method of determining the amount of revenues to be shared.

This bill authorizes a county, as well as municipalities, to enter into a revenue sharing agreement and expands the types of revenues that may be subject to a revenue sharing agreement to include fee revenues and payments received from the state.

***** ANALYSIS FROM –1707 *****

Under current law, the state, Indian tribes and bands, and local units of government may enter into intergovernmental cooperation agreements for the receipt or furnishing of services or joint exercise of powers and may create a commission to perform the service or exercise the joint power. This bill provides that if a commission is created under such an agreement, the employees of the commission are not employees of the units of government that created the commission unless the contract creating the commission specifies otherwise.

***** ANALYSIS FROM –1258/5 *****

NATURAL RESOURCES

FISH, GAME, AND WILDLIFE

This bill modifies a number of the fees for fish and game licenses and for fish and hunting licenses and stamps and for duplicates of certain licenses. The bill also increases the wildlife damage surcharge. The wildlife damage surcharge is generally used for the funding of the wildlife damage program that compensates farmers for damages caused by deer, geese, bear, and turkey.

Under current law, no person may hunt waterfowl or pheasant without a license authorizing the hunting of small game and a waterfowl or pheasant hunting stamp, which is attached to or imprinted on the license. DNR charges a fee for both the hunting license and the stamp. This bill creates a grouse and woodcock hunting stamp which, with certain exceptions, must be attached to, or imprinted on, the license in order for a person to hunt ruffed grouse or woodcock. The bill establishes a fee for this stamp. The fees are appropriated to DNR for the development and management of the ruffed grouse and woodcock populations.

This bill requires that lake sturgeon that are taken by hook and line, instead of by spearing, be tagged with a sturgeon hook and line tag issued by DNR. The bill establishes a fee for this tag. The fees are appropriated to DNR for managing the lake sturgeon fishery in inland lakes.

Under current law, DNR issues wild turkey hunting licenses and tags according to a cumulative preference system, which give priority to applicants based on residency, land ownership, and the receipt of licenses for earlier seasons. Applicants apply for a specific wild turkey hunting zone or specific time period and the preference system is used separately in each zone and for each time period. In a zone where, or for a time period when, the number of applicants is less than the number of tags available, the bill authorizes DNR to issue the surplus tags and establishes a fee for these tags.

***** ANALYSIS FROM –0384/1 *****

Under current law, with certain exceptions, no person born on or after January 1, 1973, may obtain a hunting approval without a certificate of accomplishment, which DNR issues to persons who complete DNR's hunter education program or bow hunter education program. Current law prohibits DNR from charging a fee for the course of instruction under either program.

This bill requires DNR to charge a fee for its hunter education and bow hunter education courses, authorizes DNR to offer advanced courses, and allows DNR to charge an additional fee for the advanced courses.

*** **ANALYSIS FROM –1491/2** ***

This bill increases the fees for commercial fishing and fishing guide licenses and for wholesale fish dealer licenses. The bill also authorizes DNR to charge fees for certain permits that it issues in regulating the commercial harvesting of certain species of fish.

*** **ANALYSIS FROM –1379/1** ***

Under current law, DNR may issue, at a reduced fee, a conservation patron license to a resident or a nonresident who is under the age of 18. A conservation patron license gives the licensee the privileges of a combination of various fish and game licenses, admission to state parks and other recreational areas, and an annual subscription to the Wisconsin Natural Resources magazine. Under this bill, a conservation patron licensee who is under the age of 18 does not receive the privilege of admission to state parks or other recreational areas and does not receive the magazine subscription.

*** **ANALYSIS FROM –0382/1** ***

Under current law, DNR may issue a conservation patron license to any person who is at least 14 years old. Current law also specifies a reduced fee for a conservation patron license issued to a person who is at least 12 but less than 18 years old. This bill clarifies that DNR may issue a conservation patron license to any person who is at least 12 years old.

*** **ANALYSIS FROM –0384/1** ***

Under current law, no person may hunt pheasant without a license issued by DNR. With certain exceptions, the hunter must also have a pheasant hunting stamp, issued by DNR, attached to, or imprinted on, the person's license. DNR charges a fee for both the hunting license and the stamp.

This bill generally requires a person to obtain an additional permit from DNR to hunt pheasant on certain pheasant–stocked lands under DNR's management and control. Under the bill, DNR must issue the permit to any person who applies for the permit and who has a valid conservation patron license or a valid pheasant hunting stamp attached to or imprinted on the person's small game or sports license. The bill authorizes DNR to charge a fee for the permit.

*** **ANALYSIS FROM –0753/2** ***

Under current law, the Lac du Flambeau band of the Lake Superior Chippewa (band) agrees to limit its treaty–based, off–reservation rights to fish in exchange for being able to issue DNR fishing licenses and stamps as an agent of DNR. In addition, DNR agents may issue these licenses and stamps on the band's reservation. Current law authorizes DNR to pay the band the amount that the band would have received

if the band issued those licenses and stamps. This bill requires DNR to make an annual payment of $50,000 to the band, in addition to the payment under current law. The band must use the money for fishery management within the band's reservation.

*** **ANALYSIS FROM –0503/1** ***

NAVIGABLE WATERS

Under current law, a person may not place a boat, boat trailer, or boating equipment in the Lower St. Croix River if the person has reason to believe that the boat, trailer, or equipment has zebra mussels attached. Also under current law, a person must remove zebra mussels from a boat, boat trailer, or boating equipment before placing it in the St. Croix River if required to do so by a law enforcement officer.

This bill expands the scope of these two provisions to cover any navigable water. The bill also authorizes a law enforcement officer to require a person to remove any aquatic plants or zebra mussels from a boat, boat trailer, or boating equipment before or while transporting the boat, trailer, or equipment on a highway or other thoroughfare open to the public.

*** **ANALYSIS FROM –0469/1** ***

Under current law, a variety of activities affecting navigable waters, dams, and wetlands are prohibited without a permit or other approval issued by DNR. Generally, DNR charges a fee for these permits and approvals. Current law specifies that, if more than one fee is applicable to a project, DNR may charge only the highest applicable fee rather than charging a separate fee for each permit or approval. Under this bill, an applicant must pay the permit or approval fee for each activity for which the applicant seeks a permit or other approval.

*** **ANALYSIS FROM –0468/2** ***

Current law directs DNR to make available in each fiscal year at least $500,000 for cost–sharing grants to be awarded to local governmental units for the control of invasive species that are aquatic species. This bill specifies that nonprofit conservation organizations and qualified lake associations are also eligible to receive a portion of these grants.

*** **ANALYSIS FROM –0387/4** ***

RECREATION

Under current law, a person may not operate a vehicle in state parks or certain other state recreational lands unless DNR has issued a vehicle admission receipt for that vehicle. The base fee varies depending on whether the receipt is issued on an annual or a daily basis, on the kind of vehicle for which the receipt is issued and, for certain types of receipts, on whether the receipt is issued to a resident or to a nonresident. DNR charges a reduced fee for receipts issued to certain persons, including persons who share a household with a person who has been issued a current annual vehicle admission receipt (additional receipt).

This bill increases the base fee charged for annual resident and nonresident vehicle admission receipts, the base fee charged for a daily resident vehicle admission receipt, and the base fee charged for an additional receipt for residents and nonresidents.

Under current law, DNR operates state campgrounds, classifies these campgrounds by category, and charges a campsite fee that varies depending on how the campground is categorized. This bill increases the nightly campsite fees by $2.

*** **ANALYSIS FROM –0355/2** ***

Current law authorizes DNR to appoint agents, who are not DNR employees, to issue all–terrain vehicle (ATV) and snowmobile registration certificates, and certificates of number and registration certificates for boats. Under current law, DNR may implement both a noncomputerized procedure and a computerized procedure for issuing original and duplicate registration documents and for transferring and renewing these documents. Under the noncomputerized procedure, agents collect a service fee of $3 from the registrant; there is no service fee if the application is submitted directly to DNR. Under the computerized procedure, both agents and DNR collect the $3 service fee; if the $3 fee is collected by an agent, the agent sends $1 of the fee to DNR.

For all three types of registrations, this bill eliminates the separate computerized and noncomputerized procedures. Instead, for ATV and snowmobile registrations, the bill allows DNR to implement two procedures, one under which the applicant is issued a validated receipt showing the registration of the vehicle at the time of application, and another procedure under which the applicant receives, in addition to the receipt, a decal that can be immediately placed on the vehicle. For an application submitted directly to DNR, there is no fee for receiving only the receipt, and the fee for the receipt plus a decal is $5. For an application submitted to an agent, the fee for just the receipt is $3. The fee for a receipt and a decal is $5 with the agent sending $1 of the $5 to DNR.

For boat registration, the bill allows DNR to implement the procedure under which the applicant receives a receipt and one decal that can be immediately placed on the boat. The fee for this type of registration is $5, with the agent sending $1 of the $5 to DNR.

*** **ANALYSIS FROM –0351/1** ***

This bill increases the amount that the state pays per mile for the maintenance and grooming of state and county snowmobile trails.

*** **ANALYSIS FROM –0365/1** ***

Current law requires DNR to distribute funds to local units of government and federal agencies for the operation of off–the–road Type I motorcycle trails and facilities and for such trails at the Black River State Forest and the Bong State Recreation Area. This bill eliminates this payment.

*** **ANALYSIS FROM –0519/3** ***

OTHER NATURAL RESOURCES

This bill creates a five–member Managed Forest Land Board in DNR to award grants to cities, towns, counties, DNR, and nonprofit conservation organizations to acquire land for certain outdoor recreation activities such as fishing, hiking, sight–seeing, and cross–country skiing. The grants are funded from a portion of the payments made by certain land owners in lieu of property taxes.

*** **ANALYSIS FROM –1966/1** ***

RETIREMENT AND GROUP INSURANCE

Under current law, the Group Insurance Board offers health care coverage plans for state employees, local government employees, school district employees, and annuitants under the Wisconsin Retirement System (WRS). This bill provides that domestic partners of state employees and annuitants are eligible to receive coverage under the health care coverage plans offered by the Group Insurance Board and that state employees and state annuitants are able to purchase the policies for their domestic partners. Under the bill, a domestic partner is defined as any individual who is in a relationship with any other individual that satisfies all of the following:

1. Each individual is at least 18 years old and otherwise competent to enter into a contract.

2. Neither individual is married to, or in a domestic partnership with, another individual.

3. The two individuals are not related by blood in any way that would prohibit marriage under current law.

4. The two individuals consider themselves to be members of each other's immediate family.

5. The two individuals agree to be responsible for each other's basic living expenses.

*** **ANALYSIS FROM –1260/2** ***

Under current law, the Historical Society may contract with the Wisconsin Historical Foundation, Inc., for the purpose of administering certain Historical Society programs and functions. This bill provides that if the Historical Society enters into such a contract, any Wisconsin Historical Foundation, Inc., employee who was previously employed by the Historical Society is eligible to receive health care coverage under a state employee health care plan.

*** **ANALYSIS FROM –1837/2** ***

STATE GOVERNMENT

STATE FINANCE

In the 2003–05 fiscal biennium, the state issued obligations to pay its unfunded liabilities under WRS. These liabilities had been incurred as a result of unfunded WRS benefit improvements and their cost had been allocated to each state agency as part of its required WRS contributions. This bill requires the secretary of administration, during the 2005–07 fiscal biennium, to lapse or transfer to the general fund from appropriations to each state agency, other than DETF and the State of Wisconsin Investment Board (SWIB), moneys that would otherwise have been expended by the state agency to pay the WRS unfunded liabilities had the obligations not been issued. In addition, the bill requires the secretary in each future fiscal biennium to lapse or transfer these moneys to the general fund based on each state agency's proportionate share of all state retirement contributions that are required to be paid in that fiscal biennium.

*** **ANALYSIS FROM –1917/1** ***

Current law authorizes the Building Commission to contract public debt to refund the whole or any part of any unpaid indebtedness used to finance

tax–supported or self–amortizing facilities or for veterans' housing loans. Such indebtedness includes any premium and interest that is currently payable on the unpaid indebtedness. Current law also sets caps on the amount of public debt that may be contracted for these purposes. This bill eliminates these caps.

*** **ANALYSIS FROM –1694/2** ***

Current statutes contain several rules of procedure governing legislative action on certain bills. One rule provides that no bill directly or indirectly affecting general purpose revenues (GPR) may be adopted if the bill would cause the estimated general fund balance on June 30 of any fiscal year to be less than a certain amount of the total GPR appropriations for that fiscal year. For fiscal year 2005–06, the amount is $75,000,000; for fiscal year 2006–07 and each fiscal year thereafter, the amount is 2 percent of total GPR appropriations for that fiscal year. This bill provides that for fiscal year 2005–06 through fiscal year 2008–09, the amount is $65,000,000, and for fiscal year 2009–10 and each fiscal year thereafter, the amount is 2 percent of total GPR appropriations for that fiscal year.

*** **ANALYSIS FROM –1711/4** ***

Another rule of procedure provides that, with certain exceptions, the amount appropriated from GPR may not exceed the amount appropriated from GPR in the prior fiscal year, increased by the percentage increase in the state's aggregate personal income. In the 2005–07 fiscal biennium, this bill excludes from this limitation a GPR appropriation for county and municipal aid payments. The bill also excludes from the limitation any amount appropriated to pay WRS unfunded liability obligations.

A third rule provides that in fiscal year 2005–06 and in fiscal year 2006–07, the amount appropriated from GPR for state operations generally may not exceed the amount appropriated from GPR for state operations in fiscal year 2004–05, less $100,000,000. This bill eliminates this rule for fiscal year 2006–07 and excludes a number of appropriation expenditures from the calculation for fiscal year 2005–06.

*** **ANALYSIS FROM –0391/8** ***

Under current law, the Board of Commissioners of Public Lands (BCPL) may invest moneys deposited into the common school fund, the normal school fund, the university fund, and the agricultural college fund (the trust funds) only in certain specified investments. This bill authorizes BCPL to invest moneys derived from the future sale of public lands in the purchase of land in this state, subject to certain conditions. The bill also provides that, if the land sold was at the time of purchase subject to an assessment or property tax levy, BCPL must make annual payments in lieu of property taxes to the appropriate local governmental unit in an amount equal to 74 cents per acre.

*** **ANALYSIS FROM –0390/2** ***

This bill also authorizes BCPL to delegate to SWIB the authority to invest part or all of the moneys belonging to the trust funds. Under the bill, if BCPL delegates the authority, SWIB may invest the moneys belonging to the trust funds in any fixed income investment or fund that invests in fixed income instruments.

*** **ANALYSIS FROM –1372/2** ***

Current law requires the secretary of administration to prepare a statement of estimated GPR receipts and expenditures in the biennium following the succeeding biennium based on recommendations in the executive biennial budget bill or bills that is to accompany the biennial budget report. Current law also requires the Legislative Fiscal Bureau (LFB) to prepare the same statement but based on the recommendations in the executive biennial budget bill or bills as modified in the legislative process. Current law specifies the methodology to use to prepare these statements. This bill allows DOA and LFB to develop their own methodologies.

*** **ANALYSIS FROM –1710/2** ***

This bill requires the secretary of administration to lapse or transfer to the general fund, from the unencumbered balances of most state operations appropriations, an amount equal to $35,500,000 during the 2005–07 fiscal biennium. The secretary of administration must lapse or transfer these moneys from allocations for human resources and payroll functions and server and network support, from moneys saved as a result of restructuring procurement contracts and changes to purchasing and procurement functions, and from efficiencies achieved as a result of space management improvements in that fiscal biennium under those appropriations.

In addition, the bill requires the secretary of administration to lapse or transfer to the general fund from the unencumbered balances of these state operations appropriations an amount equal to $55,000,000 during each fiscal year of the 2007–09 fiscal biennium. The secretary of administration must lapse or transfer these amounts from moneys saved as a result of restructuring procurement contracts in that fiscal biennium under those appropriations.

*** **ANALYSIS FROM –1513/8** ***

This bill transfers $36,000,000 from the general fund to the budget stabilization fund.

*** **ANALYSIS FROM –1607/9** ***

The bill also requires the secretary of administration to lapse moneys to the general fund from a number of program revenue appropriation accounts. The appropriations are made to the following state entities: the Office of State Employment Relations in DOA, DATCP, DHFS, DOJ, DPI, DOC, DORL, DOR, and DVA, the Department of Commerce, BCPL, the Child Abuse and Neglect Prevention Board, the Technical College System Board, and OCI.

*** **ANALYSIS FROM –1786/P1** ***

PUBLIC UTILITY REGULATION

This bill establishes maximum late payment charges that telecommunications utilities are allowed to charge retail consumers. A telecommunications utility is an entity that provides local calling service to consumers, excluding entities that provide such service on a resale basis.

With two exceptions, the bill prohibits a telecommunications utility from imposing on retail consumers a late payment charge at a rate greater than 1.5 percent per month computed upon the declining principal balance of any amount that is not paid when due. The first exception applies to retail consumers that are not residential consumers. For these consumers, for any month in which the

maximum late payment charge otherwise allowed under the bill is less than $5, the bill allows the telecommunications utility to impose a late payment charge of $5 for that month. Under the bill's second exception, the PSC may allow a telecommunications utility to impose a late payment charge that is greater than that otherwise allowed under the bill if the PSC determines that the greater charge is consistent with factors specified under current law for determining whether a charge is just and reasonable.

The bill also requires telecommunications utilities that impose late payment charges to pay to the PSC, on a semiannual basis, 5 percent of the charges they collect from consumers that are not residential consumers. The PSC must use the money for consumer education purposes.

*** **ANALYSIS FROM –1787/1** ***

*** **ANALYSIS FROM –1788/P1** ***

This bill transfers $18,185,300 in fiscal year 2005–06 and $16,949,400 in fiscal year 2006–07 from the utility public benefits fund to the general fund.

*** **ANALYSIS FROM –1364/P1** ***

*** **ANALYSIS FROM –1243/P3** ***

OTHER STATE GOVERNMENT

Under current law, DATCP administers most laws regarding consumer protection and trade practices. Current law also authorizes DATCP to enforce some of these laws by initiating court actions. The district attorney enforces other laws. Where DATCP has enforcement authority, that authority may be exclusive, or DATCP may share enforcement authority with the district attorney or with DOJ.

This bill transfers the administration of certain of these laws from DATCP to DOJ, including laws relating to ticket refunds, dating service contracts, mail–order sales, fraud, methods of competition and trade practices, telecommunications services, cable television subscriber rights, hazardous substances, product safety, products containing or made with ozone–depleting substances, future services plans, landlord and tenant, and time–share ownership. The bill also transfers enforcement authority for these laws to DOJ or to DOJ jointly with the district attorney. The bill leaves intact DATCP's administration of certain other laws, but transfers their enforcement authority to DOJ or to DOJ jointly with the district attorney. These laws include laws regarding unfair trade practices in the dairy industry and in the procurement of vegetable crops, and laws regarding discrimination in the purchase of milk. The bill does not affect DATCP's authority to administer and enforce certain other laws, including laws relating to music royalty collection, energy savings or safety claims, and motor fuel dealerships.

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 also a consumer protection surcharge. These surcharges are, up to a certain limit, appropriated to DATCP to fund consumer protection, information, and education. Under the bill, these surcharges are, with certain exceptions, appropriated to DOJ, rather than DATCP. The bill also requires a court to impose the surcharge when it imposes a fine or forfeiture for certain violations involving trusts and monopolies.

Under current law, DATCP is governed by the Board of Agriculture, Trade and Consumer Protection. The board currently consists of nine members, seven of whom must have an agricultural background and two of whom represent consumers. This bill requires that all nine members have agricultural backgrounds.

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

***** ANALYSIS FROM –0955/10 *****

This bill creates a Division of Legal Services in DOA to provide legal services to executive branch agencies. With certain exceptions, the bill transfers all attorney positions in executive branch agencies to the Division of Legal Services effective on January 1, 2006. The bill also transfers all positions identified as hearing examiners, hearing officers, or administrative law judges, other than such positions in DWD, to the Division of Hearings and Appeals in DOA. Attorney positions in DOJ (except for two attorney positions with tax–litigating duties), the Office of the State Public Defender, the PSC, the UW System, the Employment Relations Commission, the State of Wisconsin Investment Board, the Elections Board, the Ethics Board, and the Office of the Governor are exempt, as are all state employees working in an office of a district attorney. In addition, the bill retains a general counsel or lead attorney position in each of 17 major state agencies and offices.

Under the bill, executive branch agencies that are authorized or required to employ or retain an attorney may do so only in the following ways: (1) employ an attorney in a position authorized by law, (2) contract with DOA for legal services, (3) allow DOJ to furnish legal services if DOJ is required by law to furnish the services, (4) allow or contract with the Division of Hearings and Appeals to furnish legal services if the Division of Hearings and Appeals is required or authorized by law to furnish the services, or (5) employ or retain any attorney who is not a state employee subject to the approval of the governor.

The bill also requires the secretary of administration to lapse or transfer to the general fund from the unencumbered balances of agency appropriations, other than sum sufficient appropriations and appropriations of federal revenues, an amount equal to $724,900 during the 2005–07 fiscal biennium. The secretary of administration must lapse or transfer these moneys from allocations for agency legal services that would have been provided in that fiscal biennium with funding from those appropriations.

***** ANALYSIS FROM –1513/4 *****

This bill directs the secretary of administration, no later than July 1, 2006, to review all holdings of state–owned real property for potential sale, except property under the jurisdiction of the Board of Regents of the UW System, property under the jurisdiction of DNR (except central or district office facilities), and certain other specified property. Potential sales may include surplus or nonsurplus property, and may be evaluated with or without the approval of the state agency that administers the affected property.

Under the bill, if the Building Commission votes, on or before June 30, 2007, to approve the sale of any property reviewed by DOA, DOA may sell the property if

DOA believes that the sale is in the best interests of the state, subject to certain exceptions. The bill does not authorize DOA to close or sell any facility or institution the operation of which is provided for by law.

With certain exceptions, all net proceeds of property sales, after retirement of any outstanding debt on the affected properties and after any required reimbursement of the federal government for any federal financial assistance used to acquire the properties, must be deposited into the general fund.

***** ANALYSIS FROM –0984/4 *****

Currently, the Land Information Board, attached to DOA, serves as a state clearinghouse for access to land information and provides technical assistance to state agencies and local governmental units with land information responsibilities, reviews and approves county plans for land records modernization, and provides aids to counties, derived from recording fee revenues collected by counties, for land records modernization projects. Under current law, the board and most of its functions are abolished effective on July 1, 2005.

This bill assigns to DOA most of the functions of the Land Information Board.

Currently, counties collect a fee for recording and filing most instruments that are recorded or filed with the register of deeds. Until July 1, 2005, counties must remit a portion of each fee collected to the Land Information Board, which the board uses to fund its operations and to make grants to counties for land records modernization projects. On July 1, 2005, the fee for recording or filing the first page of an instrument is reduced and no portion is remitted to the state. This bill reinstates the current fees but requires that the state's share be remitted to DOA instead of to the Land Information Board.

Current law directs the Wisconsin Land Council in DOA to do the following: 1) identify and recommend to the governor land use goals and priorities; 2) study the development of a computer–based land information system and make recommendations to the governor; and 3) establish a state agency resource working group that is composed of representatives of various state agencies. Current law directs this group to discuss, analyze, and address land use issues and related policy issues. Currently, the Wisconsin Land Council sunsets on September 1, 2005. This bill transfers almost all of the functions and responsibilities of the Wisconsin Land Council to DOA.

***** ANALYSIS FROM –1219/2 *****

This bill provides that a person who knowingly presents or causes to be presented a false claim under any contract or order for materials, supplies, equipment, or contractual services to be provided to the state or a local government is subject to a forfeiture (civil penalty) of not less than $5,000 nor more than $10,000, plus three times the amount of the damages that were sustained by the state or would have been sustained by the state, whichever is greater, as a result of the false claim.

***** ANALYSIS FROM –1377/3 *****

Under current law, a county that has a federally recognized Indian reservation within or partly within its boundaries may develop a cooperative county–tribal law enforcement program with a tribe located in the county. The county and the tribe

may apply for aid from DOJ for the program. The Office of Justice Assistance (OJA) administers a separate grant program to fund county law enforcement services in counties that border Indian reservations. A county is eligible for a grant under the OJA program only if: 1) the county demonstrates a need for those services; 2) there is a neighboring tribe with which the county does not have a county–tribal law enforcement agreement; and 3) the county meets criteria established by rule by OJA. Both of these grant programs are funded from Indian gaming receipts.

This bill makes OJA responsible for administering the cooperative county–tribal grant program and extends its applicability to cases in which a county borders a reservation. The bill eliminates the existing OJA grant program for counties that border Indian reservations.

*** **ANALYSIS FROM –1022/1** ***

Currently, the Joint Committee on Legislative Organization must recommend to the legislature, in the form of a joint resolution, a Wisconsin newspaper to be the official state newspaper. This bill provides that the secretary of administration designates a Wisconsin newspaper to be the official state newspaper.

*** **ANALYSIS FROM –0302/3** ***

TAXATION

INCOME TAXATION

This bill adopts, for state income and franchise tax purposes, changes made to the Internal Revenue Code by the Jobs and Growth Tax Relief Reconciliation Act, not including changes related to bonus depreciation and expensing provisions and an increase in the alternative minimum tax exemption; the Military Family Tax Relief Act; the Medicare Prescription Drug, Improvement and Modernization Act, not including changes related to health savings accounts; the Social Security Protection Act; the Pension Funding Equity Act; the Working Families Tax Relief Act, not including changes related to deductions for charitable contributions of computer equipment and expensing provisions related to brownfields remediation costs; the American Jobs Creation Act, not including changes related to the expensing of film and television production costs; and the YMCA retirement fund.

Under current law, spouses that file a joint income tax return are both liable for the payment of any tax related to that return. However, DOR may relieve a person of that tax liability if the person's spouse did not notify the person of any tax liability or understatement of taxes related to the joint return. This bill requires a spouse to apply for relief from tax liability within two years from the date on which DOR begins collection activities on the spouse's tax liability or within two years from the effective date of the provision, whichever is later.

*** **ANALYSIS FROM –1659/1** ***

In general, current law provides a subtraction from federal adjusted gross income for up to $3,000 paid per year per student for tuition to attend a university, college, technical college, or other school that is approved by the Educational Approval Board and that is located in this state or that is subject to the Minnesota–Wisconsin reciprocity agreement. This bill increases the amount of the allowable subtraction from $3,000 per year per student to $5,100 or twice the average amount charged by the UW System Board of Regents at four–year institutions for

resident undergraduate tuition for the most recent fall semester, whichever is greater.

*** **ANALYSIS FROM –0375/2** ***

This bill authorizes DOR to prepare a list of delinquent taxpayer accounts in excess of $25,000 that are unpaid for more than 90 days after all appeal rights have expired. The list must include the name, address, and type and amount of tax due, including interest, penalties, fees, and costs for each person on the list. If the person listed is a corporation, the list must also include the name and address of each of the corporation's officers.

The bill also authorizes DOR to maintain the list on the Internet. However, DOR may not post on the Internet the name of any person who has reached an agreement with DOR or DOJ regarding the payment of delinquent taxes, and is in compliance with that agreement, or the name of any person who is protected by a stay in effect under the federal Bankruptcy Code. DOR must update these provisions on the Internet site each business day.

*** **ANALYSIS FROM –0371/5** ***

*** **ANALYSIS FROM –0341/3** ***

Under current law, an individual may on his or her income tax return designate any amount of additional payment or any amount of a refund due for the endangered resources program, a local professional football district, and a breast cancer research program. This bill creates a similar income tax checkoff for designations to the veterans trust fund. The bill also allows a corporation that files a state tax return to designate on its return any part of its refund, or any amount in addition to taxes owed, as a donation to the veterans trust fund.

*** **ANALYSIS FROM –0306/2** ***

This bill requires a partnership, a limited liability company, a tax–option corporation, an estate, or a trust that is treated as a pass–through entity for federal income tax purposes to withhold income taxes from income that the entity distributes to a nonresident partner, member, shareholder, or beneficiary.

*** **ANALYSIS FROM –0402/5** ***

*** **ANALYSIS FROM –0403/2** ***

Under current law, a taxpayer may claim an income or franchise tax credit based, generally, on the taxpayer's business activities in a location designated by the Department of Commerce as a development zone, opportunity zone, enterprise zone, or agricultural development zone. The taxpayer may claim the credit against the taxes imposed on the income derived from the taxpayer's business activities in a zone. In addition, the taxpayer may claim a credit, in part, based on the number of full–time jobs that the taxpayer creates in the development zone that are filled by a member of a targeted group, which includes an individual who resides in an area that the federal government designates as an empowerment zone or enterprise community.

Under this bill, generally, the taxpayer may claim a credit against the taxes imposed on all of the taxpayer's Wisconsin income. In addition, the targeted group includes an individual who resides in an area that the federal government designates as an economic revitalization area.