

2005 DRAFTING REQUEST

Senate Amendment (SA-AB100)

Received: **06/24/2005**

Received By: **jkuesel**

Wanted: **Soon**

Identical to LRB:

For: **Judith Robson (608) 266-2253**

By/Representing: **Nadine Gratz**

This file may be shown to any legislator: **NO**

Drafter: **jkuesel**

May Contact:

Addl. Drafters:

Subject: **State Govt - miscellaneous**

Extra Copies:

Submit via email: **YES**

Requester's email: **Sen.Robson@legis.state.wi.us**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Sale or contractual operation of state-owned power plants and wastewater facilities

Instructions:

Per attached, 6/17/05.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkuesel 06/26/2005	kfollett 06/27/2005		_____			
/1			pgreensl 06/27/2005	_____	Inorthro 06/27/2005	Inorthro 06/27/2005	

FE Sent For:

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1/1	jkuesel 6/24/05	1/1 GF 6/28/05	6/27 PR	6 6/27 pslch			

FE Sent For:

<END>

Generator Model

Roberson

draft and draft
AW
do. complete

Building Commission/Building Program

✓ Hmong Cultural Center - restore Building Commission Recommendation Paper 191

JCF Action - Did not include Hmong Cultural Center

Amendment - Enumerate the construction of a \$5,000,000 Hmong Cultural Center in the City of Madison as part of the 2005-07 building program as recommended

by the Building Commission. Provide \$2,500,000 in general fund supported general obligation bonding for the purpose of constructing the center, and specify that there is a public purpose for this project. Include the Building Commission recommendations relative to the statutory language associated with the project.

✓ Institute for Discovery - UW Madison - restore Building Commission Recommendation Paper 188

JCF Action - The Committee partially approved funding for the Wisconsin Institute for Discovery (WID) initiative. Only the first phase of WID (\$50 million existing GFSB and \$100 million gifts) was included in the bill. \$137.5 million GFSB in advance enumerations for subsequent phases was not approved.

Amendment - Create a program to be known as the Wisconsin Institute for Discovery (WID) for the purpose of providing financial support to attract federal and private funds to construct facilities for biotechnology, nanotechnology, and information technology education and research activities at the UW-Madison. Specify that projects financed under the WID program would have to be designed to provide computational and biological sciences education and research facilities, ancillary systems, and supporting infrastructure. Specify that the WID program projects would be financed from the Building Commission's other public purpose bonding authorization or as otherwise authorized in the state building program. Provide \$137.5 million in general fund supported bonding (GFSB) under the Building Commission's other public purpose bonding authorization, in addition to any existing Biostar project funds (\$50 million of this existing bonding would be allocated under the 2005-07 building program) that would be used for WID projects. Issuance of the \$137.5 million in bonds could not to exceed the following amounts on the following dates:

- a. \$0 through the 2005-07 biennium and 2007-09 biennium;
- b. \$45.5 million through the 2009-11 biennium;

Budget Items

- c. \$91.0 million through the 2011-13 biennium; and
 d. \$137.5 million through the 2013-15 biennium.

An additional \$193.2 million for WID would be funded from gifts and grants.

- ✓ All Agency Capital Repair and Maintenance Project Bonding - restore Building Commission Recommendation
 JCF Action - Reduce All Agency General Fund Supported Borrowing (GFSB) by \$20 million; the Building
 Commission included \$220 million for this purpose.

Paper 186
 Motion 539

Amendment - Increase All Agency General Fund Supported Borrowing (GFSB) by \$20 million to restore the
 Commission' recommendation.

- ✓ UW System Enumerated Project Bonding - restore Building Commission Recommendation
 JCF Action - Reduce UW General Fund Supported Borrowing (GFSB) by \$10 million; the Building
 Commission would identify project or projects to reduce.

Paper 186
 motion 539

Amendment - Increase UW General Fund Supported Borrowing by \$10 million to restore the Commission's
 recommendation.

- ✓ Sale of State Owned Power Plants and Wastewater Treatment Facilities *motion 929*
 JCF Action - Motion 929 - Require the Department of Administration to do one of the following with respect
 to each state-owned power plant and wastewater treatment facility by April 1, 2007: (1) sell the plant or facility and
 credit the net sale proceeds, less any outstanding public debt owed on the plant or facility, to the budget
 stabilization fund; or (2) contract with a private entity for the operation of the plant or facility. Stipulate that if there
 is any outstanding debt on the plant or the facility, the Department shall deposit sufficient amounts from the sale
 proceeds to the bond security and redemption fund to repay the debt. Provide further that if the plant or facility
 was acquired, constructed, or improved with any federal funds that the Department pay the federal government
 any of the net proceeds required by federal law. Stipulate that any sale of a plant or facility with a net value of at
 least \$20,000 would be subject to review by the Joint Committee on Finance under a 14-day passive review
 procedure, as provided under s. 13.48 (14) (d) 4 of the statutes. Provide further that any contract may not be
 entered into unless it requires the contractor to offer employment to those employees who performed services at
 the state-owned power plants or wastewater facilities and whose positions were terminated.

Delete 270.92 positions associated with the operation of these plants or facilities on April 1, 2007. Direct the
 Department of Administration to transfer the remaining budgeted salary and fringe benefits amounts associated
 with these deleted positions to unallotted reserve to fund agency costs relating to the provision of utility services
 and notify the Joint Committee on Finance by May 1, 2007, of the amounts transferred. Specify that the sale of
 any state-owned power plant or wastewater treatment facility to a regulated utility would not be subject to review
 or approval by the Public Service Commission.

Amendment - (1) restore the 270.92 positions (as listed in the chart below and in the motion); (2) Provide
 that the department only sell or contract for operation of plants and facilities when it determines the action to be in
 the best interest of the state. (3) Provide that the department consider factors such as security, operating costs,
 maintenance costs, operational efficiencies, and delivery of services in making this determination.

<<...OLE_Obj...>>

component of the cogeneration facility being constructed on the UW-Madison campus. The Building Commission has approved a total of \$90.2 million in bonding for the project, and to date \$79.2 million has been expended.

The state also owns four wastewater treatment facilities at the Lincoln Hills and Ethan Allen Schools and the Fox Lake and Kettle Moraine Correctional Institutions. DOA indicates that the total value of the facilities is \$9,089,600. No information is available concerning any outstanding debt on these facilities.

Currently, there are a total of 270.92 positions (176.67 GPR and 94.25 PR) related to operation of the state power plants, as identified below. This motion would eliminate these positions, effective April 1, 2007. DOA would be required to transfer any remaining salary and fringe benefits amounts to unallotted reserve under each agency with such employees and notify the Finance Committee of the amounts transferred by May 1, 2007.

**Base Level Positions and Associated Funding at State-Owned
Power Plants and Wastewater Treatment Facilities**

<u>Agency</u>	<u>(2004-05) FTE</u>	<u>Base Salary and Fringe Benefits</u>	<u>Fund Source</u>
Administration	23.25	\$1,425,400	PR
Corrections	20.25	1,141,600	GPR
Corrections	24.00	1,388,900	PR
Health and Family Services	41.00	2,055,800	PR
Public Instruction	10.00	487,100	GPR
UW-Eau Claire	9.42	232,800	GPR*
UW-Green Bay	6.00	352,100	GPR*
UW-La Crosse	7.00	399,900	GPR*
UW-Madison	50.00	3,370,700	GPR*
UW-Milwaukee	17.00	947,000	GPR*
UW-Oshkosh	8.00	494,100	GPR*
UW-Parkside	7.00	416,100	GPR*
UW-Platteville	7.00	397,500	GPR*
UW-River Falls	7.00	421,800	GPR*
UW-Stevens Point	7.00	430,400	GPR*
UW-Stout	8.00	491,900	GPR*
UW-Superior	7.00	390,800	GPR*
UW-Whitewater	6.00	355,200	GPR*
Veterans Affairs	<u>6.00</u>	<u>345,000</u>	PR
Total	270.92	\$15,544,100	

*University of Wisconsin power plant positions are all classified as GPR, but funding is provided from a split of GPR (general fund) and PR (student tuition), that is approximately 50/50 but would vary by campus.

Currently, a utility subject to PSC regulation may not construct a new facility or extend, improve, add to an existing facility, or purchase a new power production facility unless the utility first obtains a certificate of authority from the PSC before proceeding with the purchase. If the Commission finds that the proposed purchase would be consistent with the public interest, it must approve the issuance of the certificate of authority. Where the PSC finds that a better, more cost-effective option than the proposed purchase was available to a utility, the Commission

2005

Date (time)
needed _____

(DRAFT)

LRB b 0664, 1

BUDGET AMENDMENT

JTK: gt:

[Not for compile]

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**SENATE AMENDMENT
TO 2005 AB 100**

At the locations indicated, amend the engrossed bill as follows:

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

#. Page , line :

**ASSEMBLY AMENDMENT ,
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 2005 ASSEMBLY BILL 100**

1 At the locations indicated, amend the substitute amendment as follows:

2 1. Page 8, line 12: delete lines ¹⁵12 and ^{15 16}13.

3 2. Page 25, line 8: delete lines ¹³8 to ^{13 22}17.

4 3. Page 27, line 13: delete that line.

Page 28, line 15: delete that line.

5 4. Page 28, line 15: delete the material beginning with that line and ending
6 with page 30, line 16.

Page 30, line 9: delete lines 3 to 6. 9 to 22.

7 5. Page 254, line 17: delete lines 17 to 20.

8 6. Page 255, line 7: delete lines 7 to 10.

9 7. Page 255, line 18: delete lines 18 to 25.

10 8. Page 259, line 8: delete lines 8 to 16.

11 9. Page 282, line 13: delete lines 13 to 16.

*SWS
1-4*

*Per
JTK →*

9

21

1 **10.** Page 282, line 22: delete the material beginning with that line and ending
2 with page 283, line 3.

3 **11.** Page 302, line 21: delete lines 21 to 25.

4 **12.** Page 305, line 12: delete lines 12 to 16.

5 **13.** Page 310, line 8: delete lines 8 to 22.
tax material beginning with that line and ending with page 311, line 5.

Editor 6
McDrew
delete
from
Eng. B: 11
Per JTK

~~14. Page 421, line 1: delete lines 1 to 4.~~

Page 426, line 13: delete lines 13 to 18.

7 **15.** Page 932, line 12: delete the material beginning with that line and ending
8 with page 933, line 2, and substitute:

9 “(10^g) AUTHORIZED POSITIONS. The authorized FTE positions for the
10 department of administration *funded from the appropriation under section 20.505*
11 for the purpose of operating state-owned utility plants under the jurisdiction of the *(15)(ka)*
12 department.” *of the*
Statutes

13 **16.** Page 964, line 21: after that line insert:

14 “(6^g) AUTHORIZED POSITIONS. *(a)* The authorized FTE positions for the department *of*
15 of corrections *funded from the appropriation under section 20,410(1)(a) of the*
16 ~~positions on April 1, 2007~~ are increased by 20.25 GPR positions on April 1, 2007, and by 24.0 PR *Statutes,*
17 positions on April 1, 2007, for the purpose of operating state-owned utility plants
18 under the jurisdiction of the department.”

19 **17.** Page 980, line 9: after that line insert:

20 “(15^g) AUTHORIZED POSITIONS. *(a)* The authorized FTE positions for the department *(gk)*
21 of health and family services are increased by *34.0* ~~41.0~~ PR positions on April 1, 2007, for *of the*
22 the purpose of operating state-owned utility plants under the jurisdiction of the *Statutes,*
23 department.”

Fur
2-17

Fur
2-22

23 **18.** Page 987, line 21: after that line insert:

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^(f)
“(6g) AUTHORIZED POSITIONS. The authorized FTE positions for the department of public instruction are increased by 10.0 GPR positions on April 1, 2007, for the purpose of operating state-owned utility plants under the jurisdiction of the department.”

funded from the appropriation under section 20.255 (1) (d) of the statutes

19. Page 1006, line ¹⁹~~18~~: after that line insert:

^(f)
“(10g) AUTHORIZED POSITIONS. The authorized FTE positions for the Board of Regents of the University of Wisconsin system are increased by 146.42 GPR positions on April 1, 2007, for the purpose of operating state-owned utility plants under the jurisdiction of the board.”

funded from the appropriation under section 20.285 (1) (a) of the statutes

²⁵
20. Page 1007, line 19: after that line insert:

^(f)
“(4g) AUTHORIZED POSITIONS. The authorized FTE positions for the department of veterans affairs are increased by 6.0 PR positions on April 1, 2007, for the purpose of operating state-owned utility plants under the jurisdiction of the department.”

funded from the appropriation under section 20.425 (1) (gk) of the statutes

21. Page 1051, line 17: delete lines 17 to 22.

(END)

D-Note

2005-2006 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0664/lins
JTK.....

INS 1-4:

~~1.~~ [✓] Page 29, line 1: delete the material beginning with “no” and ending with “each” on page 29, line 1 and substitute “the department may sell any”.

~~2.~~ Page 29, line 3: delete the material beginning with “shall” and ending with “2007.” on page 29, line 4 and substitute “may contract with a private entity for the operation of any such plant or facility if the department determines that such action is in the best interest of the state. The department shall consider security, operating and maintenance costs, operational efficiency, and delivery of services in making its determination.”.

INS 2-17:

(b) The authorized FTE positions for the department of corrections, funded from the appropriation under section 20.410 (1) (kk) are increased by 19.0 PR positions on April 1, 2007, for the purpose of operating state-owned utility plants under the jurisdiction of the department.

(c) The authorized FTE positions for the department of corrections, funded from the appropriation under section 20.410 (3) (hm) of the statutes, are increased by 5.0 PR positions on April 1, 2007, for the purpose of operating state-owned utility plants under the jurisdiction of the department.”.

INS 2-22:

(b) The authorized FTE positions for the department of health and family services, funded from the appropriation under section 20.435 (2) (kx) of the statutes,

change to
text: NS: par
→

change to
text: NS: par
→

change to
text: NS: par
→

are increased by 7.0 PR positions on April 1, 2007, for the purpose of operating state-owned utility plants under the jurisdiction of the department.”.

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBb0664/1dn

JTK...*[Signature]*..

Date

Senator Robson:

X
This amendment deletes the requirement to sell or contract for the operation of all state-owned heating, cooling, and power plants and wastewater treatment facilities and instead permits DOA to sell or contract for the operation of the plants and facilities.

Jeffery T. Kuesel
Managing Attorney
Phone: (608) 266-6778

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0664/1dn
JTK:kjf:pg

June 27, 2005

Senator Robson:

This amendment deletes the requirement to sell or contract for the operation of all state-owned heating, cooling, and power plants and wastewater treatment facilities and instead permits DOA to sell or contract for the operation of the plants and facilities.

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Managing Attorney
Phone: (608) 266-6778