



# STATE OF WISCONSIN Assembly Journal

## Ninety-Seventh Regular Session

THURSDAY, February 3, 2005

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

### AMENDMENTS OFFERED

Assembly amendment 1 to Assembly substitute amendment 1 to **Assembly Bill 58** offered by joint committee on **Finance**.

Assembly amendment 2 to Assembly substitute amendment 1 to **Assembly Bill 58** offered by joint committee on **Finance**.

### ADMINISTRATIVE RULES

#### **Assembly Clearinghouse Rule 04–110**

Relating to the licensure and regulation of athlete agents. Submitted by Department of Regulation and Licensing. Report received from Agency, January 25, 2005. To committee on **Colleges and Universities**. Referred on February 3, 2005.

#### **Assembly Clearinghouse Rule 04–120**

Relating to the 2005 edition of the uniform standards of professional appraisal practice (USPAP). Submitted by Department of Regulation and Licensing. Report received from Agency, January 25, 2005. To committee on **Small Business**. Referred on February 3, 2005.

### INTRODUCTION AND REFERENCE OF PROPOSALS

Read first time and referred:

#### **Assembly Joint Resolution 11**

Relating to: celebrating March 1, 2005, as St. David's Day.

By Representatives Owens, Cullen, Gronemus, Hahn, Hines, Krawczyk, Petrowski, Townsend, Van Roy and Vrakas; cosponsored by Senators Roessler and Wirsch.

To committee on **Rules**.

#### **Assembly Joint Resolution 12**

Relating to: removing the general statement of the Wisconsin Constitution that the rule of taxation shall be uniform (first consideration).

By Representatives Sherman, Berceau, Zepnick, Parisi, Pope–Roberts, Pocan, Fields and Lehman; cosponsored by Senators Jauch, Miller, Lassa and Wirsch.

To committee on **Ways and Means**.

#### **Assembly Joint Resolution 13**

Relating to: taxation of principal homesteads of individuals (first consideration).

By Representatives Sherman, Berceau, Black, Zepnick, Parisi, Cullen, Pocan, Lehman and Pope–Roberts; cosponsored by Senators Jauch, Carpenter, Decker and Lassa.

To committee on **Ways and Means**.

#### **Assembly Bill 72**

Relating to: the definition of biodiesel fuel and the labeling, advertising, and promoting of biodiesel fuel and biodiesel fuel blends for sale.

By Representatives Ott, Nerison, Montgomery, Freese, Gronemus, Hahn, Ballweg, Hines, Loeffelholz, Petrowski, Musser, Towns, Ainsworth, Albers, Bies, Krawczyk, Molepske, Kestell, Nelson, Vrakas, Townsend, Lehman and Davis; cosponsored by Senators Cowles, Harsdorf, Kapanke, Brown, Lassa, Miller, Olsen, Risser and Wirsch.

To committee on **Rural Affairs and Renewable Energy**.

#### **Assembly Bill 73**

Relating to: the amount of the exemption from income tax withholding requirements for employees of a county fair association.

By Representatives Gunderson, Ballweg, Ainsworth, Albers, Freese, Gronemus, Jeskewitz, Kerkman, F. Lasee, Musser, Nass, Ott, Owens, Petrowski, Pettis, Stone, Vrakas and Vos; cosponsored by Senators Olsen, Kedzie, Lassa, Roessler and Reynolds.

To committee on **Ways and Means**.

To joint survey committee on **Tax Exemptions**.

#### **Assembly Bill 74**

Relating to: exempting from taxation retirement plan income received by an individual.

By Representatives Owens, Nass, Kerkman, Albers, Bies, Davis, Gronemus, Gunderson, Gundrum, Hahn, Hines, Hundertmark, Jensen, Jeskewitz, Kreibich, LeMahieu, Loeffelholz, Lothian, Meyer, Mursau, Musser, Nischke, Ott, Petrowski, Pettis, Suder, Townsend, Underheim, Vos and Vrakas; cosponsored by Senators Kedzie, Roessler, S.

Fitzgerald, Kanavas, A. Lasee, Lassa, Lazich, Leibham and Stepp.

To committee on **Ways and Means**.

To joint survey committee on **Tax Exemptions**.

#### **Assembly Bill 75**

Relating to: regulating the cremation of human remains, creating a Crematory Authority Council, granting rule-making authority, and providing penalties.

By Representatives Kerkman, Lothian, Gronemus, Albers, Bies, Freese, Gunderson, Hines, Hundertmark, Kreibich, Montgomery, Musser, Nass, Owens, Stone, Van Roy, Vrakas and Hahn; cosponsored by Senators A. Lasee, Kedzie, Roessler, Risser, Lassa and Breske.

To committee on **Small Business**.

#### **Assembly Bill 76**

Relating to: driving a motor vehicle while using a cellular telephone or other wireless telecommunications device and providing a penalty.

By Representatives Staskunas, Boyle, Kerkman, Seidel, Steinbrink, Hines, Ainsworth, Lehman, Cullen, Jeskewitz and Sheridan; cosponsored by Senators Harsdorf, Carpenter, Olsen and Stepp.

To committee on **Highway Safety**.

#### **Assembly Bill 77**

Relating to: a state minimum wage, granting rule-making authority, and providing a penalty.

By Representatives Sheridan, Sinicki, Turner, Sherman, Kreuser, Richards, Pocan, Kessler, Boyle, Black, Hebl, Molepske, Nelson, Vruwink, Berceau, Schneider, Young, Parisi, Shilling, Toles, Van Akkeren, Fields, Colon, A. Williams, Zepnick, Pope-Roberts, Grigsby, Benedict, Seidel, Krusick, Steinbrink and Lehman; cosponsored by Senators Hansen, Robson, Breske, Carpenter, Coggs, Decker, Erpenbach, Jauch, Lassa, Miller, Plale, Risser, Taylor and Wirsch.

To committee on **Labor**.

#### **Assembly Bill 78**

Relating to: creating an individual income tax exemption for military income received by certain members of the U.S. armed forces and sunseting the armed forces member tax credit.

By Representatives Musser, Wood, Hahn, Pettis, Petrowski, Townsend, Moulton, Kerkman, Owens, J. Fitzgerald, Nass, Bies, Jeskewitz, Honadel, Gunderson, McCormick, F. Lasee, Jensen, Freese, Krawczyk, Ott, Hundertmark, Stone and Suder; cosponsored by Senators Harsdorf, Leibham, Lazich, Roessler, Grothman, Stepp and Lassa.

To committee on **Ways and Means**.

To joint survey committee on **Tax Exemptions**.

#### **Assembly Bill 79**

Relating to: authorizing a city or a village to abolish its police department and contract for law enforcement services with a county.

By Representatives Musser, Wood, Lothian, LeMahieu, Berceau, Gottlieb, Gunderson, Kerkman, Jeskewitz, Ward, Nass, Bies, Zepnick, Jensen, Ott, Nelson, Kestell, Krawczyk, Hubler, F. Lasee, Kaufert, Molepske, Vrakas, Wieckert, McCormick, Pettis and Townsend; cosponsored by Senators Leibham, Cowles, Roessler, Harsdorf and Grothman.

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

#### **Assembly Bill 80**

Relating to: giving false information to mandatory reporters of suspected child abuse or neglect and providing a penalty.

By Representatives Musser, Wood, Vos, Gunderson, Nass, Townsend, Krawczyk, F. Lasee, Bies, Stone, Albers, Ott, Hahn and Suder; cosponsored by Senator A. Lasee.

To committee on **Criminal Justice and Homeland Security**.

#### **Assembly Bill 81**

Relating to: creditable military service under the Wisconsin Retirement System.

By Representatives Musser, Petrowski, Gundrum, Boyle, Pettis, Townsend, Sinicki, Jeskewitz, Hubler, Kerkman, Owens, Suder, Lehman, Kreibich, Hines, Bies, Pope-Roberts, Ott, LeMahieu, Hahn, Freese, Wood, Kaufert, Gunderson, McCormick, Albers, Ainsworth and Kestell; cosponsored by Senators Leibham, Erpenbach, Roessler, Kanavas and Hansen.

To joint survey committee on **Retirement Systems**.

#### **Assembly Bill 82**

Relating to: the age at which a person who is alleged to have violated a criminal law, a civil law, or a municipal ordinance is subject to circuit court or municipal court rather than juvenile court jurisdiction.

By Representatives Grigsby and Kessler; cosponsored by Senator Taylor.

To committee on **Criminal Justice and Homeland Security**.

#### **Assembly Bill 83**

Relating to: payment of stipend to state employees who do not elect coverage under the state employee health care coverage plan.

By Representatives Towns, Hundertmark, Ward, Kaufert, Nischke, Kestell, Gunderson, Kerkman, Hines, Musser, Fields, Lehman, Moulton, Owens, Sheridan, Stone, McCormick, Wood and Vrakas.

To committee on **Government Operations and Spending Limitations**.

#### **Assembly Bill 84**

Relating to: the number of school days required each school term.

By Representatives Towns, Jensen, Hundertmark, Hines, Townsend, Lehman, Gottlieb, Gunderson, Petrowski, Gronemus, Wood, F. Lasee, Kreibich, Friske, Vrakas, Hahn, Jeskewitz, Nischke, Kerkman, Owens, Musser, Van Roy, Gielow, Moulton, Lothian, Vruwink, Vukmir and Mursau; cosponsored by Senators Kedzie, Grothman, Reynolds and Lassa.

To committee on **Education**.

**Assembly Bill 85**

Relating to: prohibiting the Wisconsin Housing and Economic Development Authority from making, buying, or assuming a home mortgage loan for an individual who does not have a social security number.

By Representatives Kestell, Suder, Gottlieb, Gunderson, Hahn, Hines, Jeskewitz, F. Lasee, LeMahieu, McCormick, Meyer, Nass, Ott, Owens, Pridemore, Petrowski, Towns, Van Roy, Vos, Vrakas, Vukmir and Ziegelbauer; cosponsored by Senators Grothman, Cowles, Ellis, Kanavas, A. Lasee, Lazich, Leibham and Roessler.

To committee on **Housing**.

**Assembly Bill 86**

Relating to: prohibiting certain real estate closing fees.

By Representatives Gunderson, Nass, Albers, Ballweg, Gottlieb, Hahn, Jeskewitz, F. Lasee, Lehman, Musser, Ott, Nelson, Owens and Vrakas; cosponsored by Senators Lassa and Miller.

To committee on **Financial Institutions**.

**Assembly Bill 87**

Relating to: nonresident tuition exemption for dependents of certain active members of the armed forces.

By Representatives Krawczyk, Kreibich, Montgomery, Jeskewitz, Gronemus, Jensen, Musser, Friske, Kerkman, Lehman, Shilling, Owens, Van Roy, Ballweg, Nass, Ott, Petrowski, Towns, Townsend, Pocan, Hines, Ainsworth, F. Lasee, Vrakas, McCormick, Suder, Gunderson and Nischke; cosponsored by Senators Roessler, Olsen, Grothman and Lassa.

To committee on **Colleges and Universities**.

**Assembly Bill 88**

Relating to: income tax and property tax exemptions for the American Legion and the Veterans of Foreign Wars.

By Representatives Wood, Suder, Pettis, Musser, Owens, Bies, McCormick, Freese, Gunderson, Hundertmark, Gronemus, Hines, Lothian, F. Lasee, Boyle, Vrakas, Kreibich, Ott, Petrowski, Gundrum, Nischke and Pridemore; cosponsored by Senators Zien, Leibham and Hansen.

To committee on **Ways and Means**.

To joint survey committee on **Tax Exemptions**.

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**MESSAGE FROM THE SENATE**

From: Robert J. Marchant, Senate Chief Clerk.

Mr. Speaker:

I am directed to inform you that the Senate has

Passed and asks concurrence in:

**Senate Bill 2**

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**ACTION ON THE SENATE MESSAGE**

**Senate Bill 2**

Relating to: regional emergency response team requirements.

By Senators Brown, Cowles, Lassa and Olsen; cosponsored by Representatives Gunderson, Kerkman, Berceau, Gielow, Gronemus, Hines, Jeskewitz, Krawczyk, Lehman, LeMahieu, Lothian, Ott, Petrowski and Townsend.

To committee on **Criminal Justice and Homeland Security**.

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**COMMUNICATIONS**

February 3, 2005

Mr. Patrick Fuller  
Assembly Chief Clerk  
Risser Justice Center, Room 208

Dear Mr. Fuller:

Please add Senator Dave Zien (23rd Senate District) to the list of co-sponsors for Assembly Bill 63. This is the bill that would require a person to show ID at the poll before voting. His name was submitted to our office however an error was made when transferring our list onto the jacket. Thank you for your assistance with this matter.

Sincerely,  
*REPRESENTATIVE JEFF STONE*

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**REFERRAL OF AGENCY REPORTS**

State of Wisconsin  
Office of State Employment Relations  
Madison

November 2004

To the Honorable, the Legislature:

The Written Hiring Reasons Report for Wisconsin State Government is enclosed. The report, covering the period July 1, 2003, through June 30, 2004, is required under ss. [230.25 \(1p\)](#) and [230.27 \(2k\)](#), Wis. Stats. The law requires "written hiring reasons" for certain hiring transactions and requires the Office of State Employment Relations to summarize the hiring reasons and prepare the report. Retrospectively, this information can be useful as a monitoring tool for your agency's classified and project appointments. Prospectively, you may want to use the information for plans of action in 2005 and beyond.

Information for this report came from summary information provided by each agency and the entire UW System. Your efforts and cooperation in compiling the summary reports are greatly appreciated. The report includes a synopsis of the

information provided by each state agency and UW System unit.

If you have questions, please contact Claire Dehnert, Division of Affirmative Action, at (608) 267-1005 or email [claire.dehnert@oser.state.wi.us](mailto:claire.dehnert@oser.state.wi.us).

Sincerely,  
*KAREN E. TIMBERLAKE*  
Director

Referred to committee on **Labor**.

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## AGENCY REPORTS

State of Wisconsin  
Legislative Audit Bureau  
Madison

January 27, 2005

To the Honorable, the Legislature:

As requested by the Joint Legislative Audit Committee, we have completed an evaluation of the process by which the Department of Health and Family Services (DHFS) determines eligibility for the SeniorCare program, which provides subsidized prescription drug benefits to individuals who are 65 or older. A similar review of eligibility determinations for the Medical Assistance and BadgerCare programs was provided in report 04-11, released in September 2004.

SeniorCare operates under the terms of a federal waiver, which allows states to receive federal Medical Assistance matching funds to provide program services. Only four states operate programs under this waiver, and Wisconsin's is the most comprehensive, both in terms of program eligibility and in benefits provided. In fiscal year (FY) 2004-05, the SeniorCare budget is \$117.4 million, including \$40.1 million in general purpose revenue. In June 2004, a total of 90,211 individuals were enrolled in the program.

Individuals apply for SeniorCare by mail. The application form requests an estimate of their income over the next 12-month period; no income verification is required. To determine the degree to which income is accurately reported, we reviewed a randomly selected sample of 1,000 applications approved in 2003. Participants were placed in the correct benefit level in 82.5 percent of the cases we reviewed. However, underestimated or under-reported income led to cost-sharing requirements that were lower than appropriate in 11.9 percent of cases. The opposite was true in 2.3 percent of cases. We were unable to determine actual income in 3.3 percent of the cases. Had placements been made in accordance with participants' actual income, we estimate annual net program savings of \$6.9 million, which includes \$3.0 million in general purpose revenue.

Given the under-reporting of income in our sample, we recommend DHFS increase its efforts to prevent, identify, and correct participant errors in income reporting. In addition, we recommend DHFS establish procedures for recovering

SeniorCare benefits paid in error, as it is required to do under administrative rule.

We appreciate the courtesy and cooperation extended to us by DHFS staff in conducting this review.

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

January 27, 2005

To the Honorable, the Legislature:

We have completed a financial audit of WHA Television, as requested by the University of Wisconsin-Extension to fulfill the audit requirements of the Corporation for Public Broadcasting. The Corporation requires audited financial statements of public broadcasting entities to determine future funding levels.

WHA Television is licensed to the Board of Regents of the University of Wisconsin System and is operated by the University of Wisconsin-Extension. WHA Television earned \$15.9 million in revenues during fiscal year 2003-04, including state support, member contributions, funding from the Corporation for Public Broadcasting, and various other grants.

Our audit report contains the financial statements and related notes for the period July 1, 2003 through June 30, 2004. We were able to issue an unqualified independent auditor's report on these statements.

We appreciate the courtesy and cooperation extended to us by University of Wisconsin-Extension

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Legislative Audit Bureau  
Madison

January 27, 2005

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WHA Radio is licensed to the Board of Regents of the University of Wisconsin System and is operated by the University of Wisconsin-Extension. WHA Radio earned \$8.7 million in revenues during fiscal year 2003-04, including state

support, member contributions, funding from the Corporation for Public Broadcasting, and various other grants.

Our audit report contains the financial statements and related notes for the period July 1, 2003 through June 30, 2004. We were able to issue an unqualified independent auditor's report on these statements.

We appreciate the courtesy and cooperation extended to us by University of Wisconsin-Extension staff during the audit.

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor

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State of Wisconsin  
Investment Board  
Madison

January 31, 2005

To the Honorable, the Assembly:

I have enclosed a copy of the FY 2004 Annual Fiscal Report and Schedule of Investments for the State of Wisconsin Investment Board. The report contains Independent Auditor's Reports, prepared by the Legislative Fiscal Bureau, for the funds that we manage. They include the Fixed and Variable Funds of the Wisconsin Retirement System, the State Investment Fund and various smaller funds.

I have attached an electronic copy for you to distribute to the members of the Assembly. Please contact Sandy Drew (261-0182) if anyone would prefer a hard copy of either. Thank you.

Sincerely,  
*DAVID C. MILLS*  
Executive Director

State of Wisconsin  
Legislative Audit Bureau  
Madison

February 2, 2005

To the Honorable, the Legislature:

We have completed a financial audit of the State of Wisconsin Unemployment Reserve Fund for the years ended June 30, 2004 and 2003. We performed the audit at the request of the Department of Workforce Development and to meet our audit responsibilities under s. 13.94, Wis. Stats.

Our audit report contains our unqualified opinion on the financial statements and related notes. Wisconsin continued to experience higher unemployment rates, reaching a seasonally adjusted rate of 5.8 percent in January 2003. As a result, unemployment benefit payments exceeded employer contributions and other revenues, causing the Unemployment Reserve Fund balance to decline. The June 30, 2004 fund balance of \$971.0 million is the lowest fund balance during the past 16 years. In contrast, the fund balance reached a high of \$1.9 billion as of June 30, 2000. As required by s. 16.48, Wis. Stats., the Secretary of the Department of Workforce Development recently reported to the Legislature on the overall financial condition and outlook of the Unemployment Reserve Fund, including suggestions for increasing the fund balance to ensure sufficient reserves are maintained.

Accompanying the financial statements is the Schedule of Cash Balance Related to Taxable Employers. This cash balance is used to determine the tax rate schedule that applies to taxable employers. Section 108.18(3m), Wis. Stats., currently requires the second-highest tax rate schedule to be applied when the cash balance as of June 30 is between \$300 million and \$900 million. Because the June 30, 2004 cash balance related to taxable employers was \$812.3 million, the second-highest of the four tax rate schedules will be applied to taxable employers in calendar year 2005. It is estimated that the higher tax rates will require employers to pay an additional \$30.0 million into the Unemployment Reserve Fund during 2005.

We appreciate the courtesy and cooperation extended to us by Department of Workforce

Respectfully submitted,  
*JANICE MUELLER*  
State Auditor