

STATE OF WISCONSIN
Senate Journal
Ninety–Seventh Regular Session

WEDNESDAY, January 4, 2006

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

CHIEF CLERK'S ENTRIES

The Chief Clerk makes the following entries dated Tuesday, December 27, 2005.

Read first time and referred:

Senate Bill 486

Relating to: income continuation insurance errors (suggested as remedial legislation by the Department of Employee Trust Funds).

By Law Revision Committee.

To committee on **Agriculture and Insurance**.

Senate Bill 487

Relating to: deferred compensation program (suggested as remedial legislation by the Department of Employee Trust Funds).

By Law Revision Committee.

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

Senate Bill 488

Relating to: death benefits under the Wisconsin Retirement System (suggested as remedial legislation by the Department of Employee Trust Funds).

By Law Revision Committee.

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

Senate Bill 489

Relating to: access to medical records possessed by the Department of Employee Trust Funds (suggested as remedial legislation by the Department of Employee Trust Funds).

By Law Revision Committee.

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

Senate Bill 490

Relating to: changing the name of the fixed retirement investment trust to the core retirement investment trust (suggested as remedial legislation by the Department of Employee Trust Funds).

By Law Revision Committee.

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

Senate Bill 491

Relating to: calculation of death benefits and the amount of a money purchase annuity under the Wisconsin Retirement

System (suggested as remedial legislation by the Department of Employee Trust Funds).

By Law Revision Committee.

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

Senate Bill 492

Relating to: renumbering and reorganizing various provisions of chapter 895 of the statutes and creating chapter 995 of the statutes. (Revisor's Revision Bill).

By Law Revision Committee.

To committee on **Judiciary, Corrections and Privacy**.

Senate Bill 493

Relating to: the frequency of permanency plan reviews for a juvenile who is placed outside the home (suggested as remedial legislation by the Director of State Courts).

By Law Revision Committee.

To committee on **Judiciary, Corrections and Privacy**.

Senate Bill 494

Relating to: changing the name of the appropriation for the Office of Lawyer Regulation (suggested as remedial legislation by the Director of State Courts).

By Law Revision Committee.

To committee on **Judiciary, Corrections and Privacy**.

Senate Bill 495

Relating to: out-of-state branch offices of credit unions (suggested as remedial legislation by the Department of Financial Institutions).

By Law Revision Committee.

To committee on **Housing and Financial Institutions**.

Senate Bill 496

Relating to: administratively dissolved limited liability companies (suggested as remedial legislation by the Department of Financial Institutions).

By Law Revision Committee.

To committee on **Housing and Financial Institutions**.

Senate Bill 497

Relating to: insurance requirements for motor vehicle retail installment contracts (suggested as remedial legislation by the Department of Financial Institutions).

By Law Revision Committee.

To committee on **Housing and Financial Institutions**.

**State of Wisconsin
Medical College of Wisconsin**

December 21, 2005

The Honorable, The Senate:

Enclosed is the biennial report of the Medical College of Wisconsin, prepared according to the statutory requirement

under section 13.106. This report covers the period ending June 30, 2005, and contains information in the following areas:

- Minority student recruitment policies and programs
- Number of minority students enrolled
- Number and percentages of Wisconsin residents enrolled
- Average faculty salaries compared to national averages
- Development of cooperative educational programs with other institutions throughout the state
- Placement of graduates of doctor of medicine and residency training programs

Please feel free to contact me at (414) 456-8217 if you have any questions or would like additional information.

Sincerely,

DONNA K. GISSEN
Vice President, Planning and Government Affairs

**State of Wisconsin
Legislative Audit Bureau**

December 20, 2005

The Honorable, The Legislature:

We have completed an evaluation of the Volunteer Fire Fighter and Emergency Medical Technician Service Award Program, a retirement benefit program for local emergency services departments that rely on volunteer staff. The program, which is commonly known as the length-of-service award program, is funded by local governments and general purpose revenue. On September 1, 2005, when 5,388 eligible volunteers were enrolled by 182 participating emergency service departments, the program had assets of \$10.3 million, including \$6.3 million in contributions by municipalities and \$4.0 million in state matching funds. Through December 2004, 68 participating volunteers or their beneficiaries had received a total of \$255,200 in program benefits.

An eight-member board appointed by the Governor and attached to the Department of Administration (DOA) is responsible for general program oversight, including selecting vendors and reviewing the investment of options available to local emergency services departments. It contracts with private vendors for account administration. When vendors were selected in 2001, neither the appropriateness of various investment options nor their costs appear to have been fully understood, and the importance of investment portability was not sufficiently recognized. As a result, three participating departments forfeited a total of \$119,000 in premiums paid for nontransferable life insurance policies when the board did not extend one vendor's contract in 2004. Another vendor charges considerable transfer fees for certain investments, which could be costly for some participating departments and may limit the board's contracting alternatives in the future.

The board is preparing to begin a new vendor-selection process because current contracts expire in 2006. Given the range and complexity of improvements needed, our report includes recommendations for the board to obtain independent financial expertise before it begins its new request-for-proposals process. In addition, we recommend more detailed reporting on the program's status to the Legislature.

We appreciate the courtesy and cooperation extended to us by the board, DOA staff, program administrators, interest groups, and local officials and volunteers with whom we spoke. DOA's response follows the appendix.

Sincerely,

JANICE MUELLER
State Auditor

**State of Wisconsin
Legislative Audit Bureau**

December 22, 2005

The Honorable, The Legislature:

As requested, we have performed a preliminary review of the Department of Revenue's (DOR's) administration of the sales and use taxes levied by 58 counties and 2 professional sports districts on the same goods and services that are subject to the State's 5.0 percent sales and use tax. In 2005, DOR expects to distribute more than \$306 million to the local units of government that levy these taxes.

The Integrated Tax System (ITS) DOR implemented in December 2002 is used to process sales and use taxes and to calculate the counties' and districts' shares of reported sales and use taxes. DOR has faced many challenges in implementing ITS, including and initial processing backlog, various programming errors, and incorrect calculations. In 2003 and 2005, two major adjustments were made to recoup funds from counties that had been overpaid and to distribute additional funds to those that had been underpaid. In this review, we identified a new concern related to processing certain audit adjustments and other transactions that resulted in additional overpayments.

DOR has negotiated with the vendor that developed ITS for a limited amount of service to be provided at no additional cost to the State, including further system testing that is expected to be completed by March 31, 2006, after completion of a review of various system assurances that should have been, but were not, included in the original system design, the vendor is also expected to provide additional computer programming services.

To correct for the new error we identified and for other errors that have yet been corrected, DOR calculates that 33 counties are owed a total of 1.8 million, which it plans to pay along with sales and use tax distributions for December 2005. DOR also calculates that 25 counties and the two professional sports districts were overpaid a total of \$2.8 million. We believe it would be prudent to proceed cautiously on any overpayment collections until ITS testing is completed and confidence in the system can be assured. We recommend the Joint Legislative Audit Committee monitor efforts in this area and direct DOR to provide monthly status reports.

We appreciate the courtesy and cooperation extended to us by DOR staff during our review.

Sincerely,

JANICE MUELLER
State Auditor

REPORT OF COMMITTEES

The committee on **Health, Children, Families, Aging and Long Term Care** reports and recommends:

Senate Bill 405

Relating to: powers of the Pharmacy Examining Board during times of emergency or disaster.

Introduction and adoption of Senate Amendment 1.

Ayes, 5 – Senators Roessler, Darling, Brown, Erpenbach and Carpenter.

Noes, 0 – None.

Passage as amended.

Ayes, 5 – Senators Roessler, Darling, Brown, Erpenbach and Carpenter.

Noes, 0 – None.

CAROL ROESSLER
Chairperson

The committee on **Judiciary, Corrections and Privacy** reports and recommends:

Senate Bill 450

Relating to: construction liens, requirements for securing payment for work on publicly financed projects, and providing a penalty.

Passage.

Ayes, 3 – Senators Zien, Roessler and Grothman.
Noes, 2 – Senators Taylor and Risser.

DAVID ZIEN
Chairperson

PETITIONS AND COMMUNICATIONS

State of Wisconsin

Department of Health and Family Services

December 16, 2005

The Honorable, The Legislature:

Section 46.03(26) of the statutes requires the Department of Health and Family Services to report annually on information systems projects under development including the implementation schedule, estimate of costs, and methods of determining changes (if applicable).

The Department has two groups of systems now under development: Public Health Information Network (PHIN) and Health Alert Network (HAN) / National Electronic Disease Surveillance System (NEDSS); and the Medicaid Management Information System (MMIS) and related subsystems. The required information is included in the attached reports.

Sincerely,

HELENE NELSON
Secretary

State of Wisconsin

Department of Health and Family Services

December 16, 2005

The Honorable, The Legislature:

Enclosed is the 2004/2005 annual report of the Wisconsin Council on Physical Disabilities. Preparation and distribution of the report is required by section 46.29(1)(f) of the state statutes.

Enhancing employment and housing opportunities and strengthening transportation and health services for people with disabilities are important goals for Wisconsin. Funding fragmentation, disjointed service delivery, lack of incentives to save and work, and a weak information distribution network serve as barriers to these goals. The Wisconsin Council on Physical Disabilities made progress in addressing a number of these barriers this past year and plans to work aggressively in the balance of FY06 to achieve improvements in housing, transportation, long-term support, and emergency preparedness. All of these efforts are resulting in change, collaboration and positive outcomes for Wisconsin's citizens with physical disabilities.

If you have questions about the report, please contact Sarah Lincoln at 608/266-7974.

Sincerely,

HELENE NELSON
Secretary

State of Wisconsin

Department of Health and Family Services

December 23, 2005

The Honorable, The Legislature:

This letter provides a report on the status of hunger prevention strategies in Wisconsin, as required by s.46.76(4) and (5). I am pleased to report that, under the leadership of the Department and the UW-Extension, in 2005 the Wisconsin Food Security Consortium has been re-activated and once again begun meeting on a monthly basis to develop a coordinated approach to address the problems of hunger and food insecurity in Wisconsin. The Consortium is a partnership of government, business, community and university representatives who serve in an advisory capacity to DHFS. Prior to this year, the Consortium had been inactive since 2002. The Department expects that the expertise of the Consortium will be of great benefit to Wisconsin in devising strategies to deal with the problems of hunger and food insecurity.

The Consortium is guided by the definition of food security proposed by the United States Department of Agriculture (USDA), which defines food security as the ability of an entire population to have physical and economic access to sufficient food to meet its dietary needs for a productive and healthy life. Compared to other states, Wisconsin has a relatively low rate of food insecurity, but the problem is growing. In 1999-2001, 8.4% of the population was food insecure and that number increased to 9% in 2002-04. Food insecurity is clearly linked to income and efforts to improve the income level of Wisconsin citizens will benefit the state in many ways. However, the extent of food insecurity is the result of many factors besides income levels. The reduction of hunger in Wisconsin requires a cooperative partnership of federal, state, community, business, university, and individual resources.

Recognizing that creating food secure communities for people in Wisconsin goes beyond providing access to emergency food through food pantries, the Consortium is seeking to establish ways to increase access to food through normal channels. This undertaking involves the coordination and best use of existing resources, including federal food programs, supplemental food programs, food production and marketing, education and public awareness, community infrastructure, economic and job security, and research and evaluation.

In the coming year the Consortium will focus on developing a state plan to combat hunger and food insecurity in Wisconsin. The Consortium is reviewing plans completed by other states and will be examining programs that have worked in Wisconsin and in other areas of the country. One of the tasks which the Consortium has undertaken is to improve the coordination of services among the different parties that have an interest in reducing food insecurity in Wisconsin.

The Consortium is also working to increase participation by local communities. There are approximately 30 local Hunger Prevention Task Forces. The Consortium needs participation from local communities to be successful and it is pursuing ways that information can be shared between the Consortium and local organizations. Among other activities, the Consortium will be exploring ways to increase outreach regarding hunger prevention programs so that all Wisconsin residents are aware of what is available to them.

The Department, with the assistance of the Food Security Consortium, will continue to work with our partners in the public and private sector to develop strategies on this critical issue of improving food security in Wisconsin.

Sincerely,

HELENE NELSON
Secretary

**State of Wisconsin
Department of Revenue**

December 27, 2005

The Honorable, The Senate:

Section 565.45, Wisconsin Statutes, requires the Department of Revenue to submit a biennial report to the legislature regarding the impact on lottery operations of the 10% expense limitation under s. 25.75(3)(b).

Defining the Expenditure Limitation for Lottery Operations

Section 25.75(3)(b), Wisconsin Statutes, requires that expenses for the operation and administration of the lottery not exceed 10% of gross lottery revenues unless approved by the Joint Committee on Finance under s. 13.10

Gross lottery revenues include gross revenues from the sale of lottery tickets and lottery shares under ch. 565 and retailer application fees imposed under s. 565.10(8).

Expenses include:

1. amortization of capital expenditures;
2. payments to vendors under s. 565.25(2)(a) for on-line and instant services and supplies;
3. operating expenses of the Department of Revenue under s. 20.566(2)(r)

Expenses exclude Department of Justice law enforcement expenses appropriated under s. 20.455(2)(r).

Lottery General Program Operations

The accompanying chart illustrates administrative expenses, gross lottery revenues and the percentage of expenses of gross lottery revenues for Fiscal Years 2002 through 2005:

Chart On File with Senate Chief Clerk

Note

On-Line Telecommunication Charges dropped from \$2.9 million in FY04 to \$42,000 in FY05 as a result of a new gaming system software contract. Under the contract, the telecommunications system linking the gaming system with Lottery retailers is provided by the vendor. (Even though the contract provided for the telecommunications system, the new contract price was lower than the previous contract.)

Summary

Total administrative expenditures as determined in accordance with Section 25.75(3)(b) in FY04 and FY05 were \$33,350,934 and \$28,541,295, respectively. These amounts represent 6.90% of gross lottery revenues for FY04 and 6.31% of gross lottery revenues for FY05. Amounts for both years are well within the 10% limitation imposed by Section 25.75(3)(b).

Sincerely,

MICHAEL L. MORGAN
Secretary

**State of Wisconsin
Department of Transportation**

December 30, 2005

The Honorable, The Senate:

I am pleased to present to you, for distribution to the Wisconsin Senate, the annual evaluation report on the Pretrial Intoxicated

Driver Intervention Grant Program. It is also available on our website:

www.dot.wisconsin.gov/library/publications/topic/safety.htm.

The program, created by section 85.53 Wis. Stats., was established by the legislature in 1997 with the requirements that the Department study its impact and report on its findings.

The Pretrial Intoxicated Driver Intervention Grant Program is intended for offenders who are arrested for their second or subsequent OWI (Operating While Intoxicated) offense. Offender participation may be voluntary or court ordered. It is an intervention model designed to get offenders into counseling, treatment and supervision as soon as possible after the arrest. The program is individual to each community.

As you will see in the report, no community that has begun the program has dropped it. Overall, offenders who successfully completed the program were less likely than non-participants to be re-arrested for subsequent OWI violations. Those who were re-arrested went significantly longer between arrests than non-participants. Currently there are seven counties on a waiting list for funding to begin programs.

I commend those people who have dedicated themselves to making this innovative program a success. There are no "silver bullets" in eradicating impaired driving, but I feel this effort is a vital piece in the total transportation safety effort.

Sincerely,

MAJOR DANIEL W. LONSDORF
Director, Bureau of Transportation Safety

**State of Wisconsin
Department of Administration**

December 30, 2005

The Honorable, The Legislature:

Please find enclosed the Length of Service Award Program (LOSA) 2005 Annual Report. The Length of Service Award Board developed the report with support from Department of Administration staff. The report provides an overview of the program and outlines the accomplishments for the program year.

Wisconsin State Statute 16.25(6) requires the Department to submit the report to the Chief Clerk of each house annually describing the activities of the board.

If you have any questions regarding the report, please contact Terri Lenz at the Department of Administration, Division of Enterprise Operations, at (608) 261-6580.

Sincerely,

PATRICK J. FARLEY
Administrator, Division of Enterprise Operations

**State of Wisconsin
Department of Administration**

December 30, 2005

The Honorable, The Legislature:

This report is transmitted as required by sec. 20.002(11)(f) of the Wisconsin Statutes, (for distribution to the appropriate standing committees under sec. 13.172(3) Stats.), and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative balances during the month of November 2005.

On November 1, 2005, the **Wisconsin Health Education Loan Repayment Fund** cash balance closed at its intramonth low of a negative \$9 thousand. This negative balance continued until November 3, 2005, when the fund's cash balance closed at zero. The negative balance was due to the difference in the timing of revenues and expenditures.

The Wisconsin Health Education Loan Repayment Fund shortfall was not in excess of the statutory interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

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

Sincerely,

STEPHEN E. BABLITCH
Secretary

Referred to joint committee on **Finance**.

**State of Wisconsin
Ethics Board**

December 27, 2005

The Honorable, The Senate:

The following lobbyists have been authorized to act on behalf of the organizations set opposite their names.

For more detailed information about these lobbyists and organizations and a complete list of organizations and people authorized to lobby the 2005 session of the legislature, visit the Ethics Board's web site at <http://ethics.state.wi.us>

Leonhart, James	AT&T Wisconsin
McClenahan, William	Waukesha Water Utility
Petersen, Eric J	Safelite Group Inc.

Also available from the Wisconsin Ethics Board are reports identifying the amount and value of time state agencies have spent to affect legislative action and reports of expenditures for lobbying activities filed by organizations that employ lobbyists.

Sincerely,

R. ROTH JUDD
Director

Ice Age Park and Trail Foundation

January 4, 2006

The Honorable, The Senate:

In 1999 the State Legislature included a \$75,000 annual grant in the state budget to be matched with \$25,000 of private funds for the purpose of establishing, maintaining and promoting the Ice Age National and State Scenic Trail. The Ice Age Park and Trail Foundation (IAPTF) has been delighted to be the recipient of that grant since 2000. It is my pleasure to submit our final report for the year 2005 as required by statute s. 23.295.

The Ice Age Park and Trail Foundation is a volunteer and member based organization whose mission is to create, support and protect the Ice Age Trail – designated a National Scenic Trail in 1980 and State Scenic Trail in 1987. The Trail is the only unit of the National Park Service and the only National Scenic Trail that commemorates the effects of continental glaciation in the United States.

Despite its federal and state status, the protection, development and management of the Ice Age Trail is dependent on partnerships. The Trail's primary partners, the National Park Service, Wisconsin Department of Natural Resources and IAPTF, work closely with county governments and other municipalities, and with local volunteers form around the state. In 2005 alone, volunteers provided and "in kind" match of over 90,524 hours spent in support of the Trail. When translated into dollars their contribution equals more than \$1,500,000 annually, really quite extraordinary.

The grant from the DNR has allowed the IAPTF to:

- Support the work of volunteers who develop, maintain and promote the Ice Age Trail.
- Build partnerships for the Trail area with local governmental units and nonprofit organizations.
- Promote the protection of a corridor for the Ice Age Trail by providing information about acquiring land, or an interest in land in the corridor.
- Strengthen community support for the Ice Age Trail area by recruiting and training volunteers and coordinating the activities of interest groups.
- Promote tourism in the Ice Age Trail area.

We genuinely appreciate your continuing support and your partnership. Please telephone me at 608-663-1240 with any questions you may have.

Sincerely,

CHRISTINE THISTED
Executive director

Referred to committee on **Natural Resources and Transportation**.

**State of Wisconsin
Office of the Governor**

January 4, 2006

To the Honorable, the Senate:

The following bill(s), originating in the Senate, have been approved, signed and deposited in the office of the Secretary of State:

<u>Bill Number</u>	<u>Act Number</u>	<u>Date Approved</u>
Senate Bill 4	Act 100	January 4, 2006
Senate Bill 175	Act 102	January 4, 2006
Senate Bill 21	Act 90	January 4, 2006
Senate Bill 290	Act 97	January 4, 2006
Senate Bill 146	Act 98	January 4, 2006
Senate Bill 426	Act 86	December 28, 2005

Sincerely,
JIM DOYLE
Governor

**State of Wisconsin
Office of the Secretary of State**

To the Honorable, the Senate:

<u>Bill Number</u>	<u>Act Number</u>	<u>Publication Date</u>
Senate Bill 180	Act 84	January 9, 2006
Senate Bill 331	Act 85	January 9, 2006
Senate Bill 426	Act 86	December 29, 2005

Sincerely,
DOUGLAS LA FOLLETTE
Secretary of State

**REFERRALS AND RECEIPT OF
COMMITTEE REPORTS CONCERNING
PROPOSED ADMINISTRATIVE RULES**

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

Senate Clearinghouse Rule 05-082
Relating to specific information signs.
No action taken.

Senate Clearinghouse Rule 05-095

Relating to allowing the operation of double bottoms and certain other vehicles on certain specified highways.

No action taken.

NEAL KEDZIE
Chairperson

State of Wisconsin
Revisor of Statutes Bureau

January 4, 2006

To the Honorable, the Senate:

The following rules have been published:

<u>Clearinghouse Rules</u>	<u>Effective Date(s)</u>
04-118	1-1-2006
04-119	1-1-2006
05-023	1-1-2006
05-029	1-1-2006
05-037	1-1-2006

05-041	1-1-2006
05-042	1-1-2006
05-043	1-1-2006
05-044	1-1-2006
05-055	1-1-2006
05-057	1-1-2006
05-080	1-1-2006

Sincerely,
GARY L. POULSON
Deputy Revisor

CHIEF CLERK'S REPORT

The Chief Clerk records:

Senate Bill 4
Senate Bill 21
Senate Bill 146
Senate Bill 175
Senate Bill 290

Presented to the Governor on December 30, 2005.