



STATE OF WISCONSIN Assembly Journal

Ninety-Ninth Regular Session

THURSDAY, June 4, 2009

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

AMENDMENTS OFFERED

Assembly amendment 1 to **Assembly Bill 171** offered by Representatives Kessler and Kramer.

Assembly amendment 2 to **Assembly Bill 171** offered by Representatives Kessler and Kramer.

Assembly amendment 3 to **Assembly Bill 171** offered by Representatives Kessler and Kramer.

INTRODUCTION AND REFERENCE OF PROPOSALS

Read first time and referred:

Assembly Bill 303

Relating to: special distinguishing registration plates expressing support for the family members of law enforcement officers who have died in the line of duty.

By Representatives Kaufert, Barca, Bies, Danou, Hebl, Hraychuck, Kerkman, Lothian, Spanbauer, Vos, Zepnick and Friske; cosponsored by Senators Taylor, Schultz, Ellis, Darling and Plale.

To committee on **Transportation**.

Assembly Bill 304

Relating to: ineligibility of convicted felons for licensure as lobbyists.

By Representatives Soletski, Bies, Berceau, Brooks, Mursau, A. Ott, Spanbauer, Van Roy and Zigmunt; cosponsored by Senators A. Lasee and Cowles.

To committee on **Judiciary and Ethics**.

Assembly Bill 305

Relating to: notification of alternative dispute resolution in foreclosure actions.

By Representatives Dexter, Richards, A. Williams, Berceau, Zepnick, Kaufert and Mason; cosponsored by Senators Kreitlow, Sullivan and Lehman.

To committee on **Housing**.

COMMITTEE REPORTS

The joint survey committee on **Retirement Systems** reports and recommends:

Assembly Bill 75

Relating to: state finances and appropriations, constituting the executive budget act of the 2009 legislature.

The provisions of **Assembly Bill 75** referred to the committee are good public policy recommended:

Ayes: 8 – Senators Wirch, Carpenter and Schultz; Representative Hubler; Commissioner of Insurance Dilweg; Assistant Attorney General Gibson; Secretary, DETF Stella; Governor's Appointee Luttig.

Noes: 2 – Representatives Ziegelbauer and Gottlieb.

MARY HUBLER

Assembly Chairperson

Joint Survey Committee on Retirement Systems

The joint survey committee on **Tax Exemptions** reports and recommends:

Assembly Bill 75

Relating to: state finances and appropriations, constituting the executive budget act of the 2009 legislature.

The provisions of **Assembly Bill 75** referred to the committee are good public policies recommended:

Ayes: 5 – Senators Erpenbach and Decker; Representatives Hubler and Cullen; DOR Secretary Ervin.

Noes: 3 – Senator Ellis; Representative Zipperer; Assistant Attorney General Creeron.

MARY HUBLER

Assembly Chairperson

Joint Survey Committee on Tax Exemptions

COMMUNICATIONS

June 1, 2009

Patrick Fuller
Assembly Chief Clerk

17 West Main Street, Suite 401
Madison, WI 53703

Dear Patrick:

I am pleased to transmit to you the following reports to the 2009 Legislature on legislation introduced by the Joint Legislative Council:

RL 2009-01 Special Committee on High-Risk Juvenile Offenders [2009 Senate Bills 149, 150, 151, 152 and 153]

RL 2009-08 Special Committee on Regional Transportation Authority [2009 Senate Bill 205 and 2009 Assembly Bill 282]

I would appreciate your including this letter in the Journal for the information of the membership. Additional copies of these reports are available at the Legislative Council Staff offices, One East Main, Suite 401, or from our web page at <http://www.legis.state.wi.us/lc>.

Sincerely,
TERRY C. ANDERSON
Joint Legislative Council
Director

June 3, 2009

Patrick Fuller
Assembly Chief Clerk
17 West Main Street, Suite 401
Madison, WI 53703

Dear Chief Clerk Fuller:

Please add my name as a co-sponsor of Assembly Bill 290; relating to licensing tax preparers, prohibiting making or arranging certain refund anticipation loans, providing an exemption from emergency rule procedures, granting rule-making authority, making an appropriation, and providing penalties.

Sincerely,
LENA TAYLOR
State Senator
4th Senate District

REFERRAL OF AGENCY REPORTS

State of Wisconsin
Department of Natural Resources
Madison

May 18, 2009

To the Honorable, the Legislature:

In fulfillment of the requirements under s. 299.85 (9m), Wisconsin State Statutes, I am submitting to you a copy of Wisconsin's Environmental Compliance Audit Program 2008 Annual Report. It covers the period April 1, 2007 to March 31, 2008. Please distribute as appropriate. I am also

providing a copy of the report to Chief Clerk of the Senate.

For more information on Wisconsin's Environmental Compliance Audit Program or additional copies of this report, please contact Mark McDermid at (608) 267-3125, or visit our web site at: <http://dnr.wi.gov/org/caer/cea/environmental/audit/index.htm>. DNR staff will send your office an electronic copy of this letter and Annual Report to facilitate distribution.

Sincerely,
MATTHEW FRANK
Secretary

Referred to committee on **Natural Resources**.

State of Wisconsin
Department of Administration
Madison

May 29, 2009

To the Honorable, the Legislature:

This report is transmitted as required by s. 20.002 (11)(f), Wisconsin Statutes, (for distribution to the appropriate standing committees under s. 13.172 (3), Wisconsin Statutes) and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative cash balances during the month of April 2009.

On April 1, 2009, the General Fund cash balance closed at a negative \$523.9 million. This negative balance continued through April 30, 2009, when the fund's cash balance closed at a positive \$25.4 million. The General Fund cash balance reached its intra-month low of a negative \$624.1 million on April 10, 2009. The negative balance was due to the difference in the timing of revenues and expenditures.

On April 1, 2009, the Injured Patients and Families Compensation Fund cash balance closed at a negative \$76.5 million (its intra-month low). This negative balance continued through April 30, 2009, when the fund's cash balance closed at a negative \$73.3 million. The negative balance was due to the transfer of \$200 million to the Medical Assistance Trust Fund per 2007 Wisconsin Act 20, and the pending liquidation of fund securities necessary to offset this shortfall.

On April 1, 2009, the Medical Assistance Trust Fund cash balance closed at a negative \$106.8 million. This negative balance continued through April 30, 2009, when the fund's cash balance closed at a negative \$147.9 million. The Medical Assistance Trust Fund cash balance reached its intra-month low of a negative \$149.6 million on April 22, 2009. The negative balance was due to the difference in the timing of revenues and expenditures.

On April 20, 2009, the Utility Public Benefits Fund cash balance closed at a negative \$507 thousand. This negative balance continued intermittently through April 30, 2009, when the fund's cash balance closed at a negative \$2.2 million

(its intra-month low). The negative balance was due to the difference in the timing of revenues and expenditures.

On April 1, 2009, the Lottery Fund cash balance closed at a negative \$2.1 million. This negative balance continued intermittently through April 10, 2009, when the fund's cash balance closed at a positive \$2.5 million. The Lottery Fund cash balance reached its intra-month low of a negative \$3.1 million on April 2, 2009. The negative balance was due to the difference in the timing of revenues and expenditures.

On April 30, 2009, the Hospital Assessment Fund cash balance closed at a negative \$41.1 million (its intra-month low). The negative balance was due to the difference in the timing of revenues and expenditures.

The General Fund, Injured Patients and Families Compensation Fund, Medical Assistance Trust Fund, Utility Public Benefits Fund, Lottery Fund, and Hospital Assessment Fund shortfalls were not in excess of the statutory interfund borrowing limitations and did not exceed the balances of the funds available for interfund borrowing.

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

Sincerely,
MICHAEL L. MORGAN
Secretary

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

State of Wisconsin
Department of Health Services
Madison

June 5, 2009

To the Honorable, the Legislature:

Pursuant to Wis. Stats., s. [50.04 \(5\)\(fr\)](#), I am submitting the Department of Health Services' annual report to the Legislature related to Class A violations committed by nursing homes, and forfeitures assessed on nursing homes for those violations.

As defined by Wis. Stats., s. [50.04 \(3b\)](#), a Class A violation is ". . . a violation of this subchapter or of the rules promulgated thereunder which creates a condition or occurrence relating to the operation and maintenance of a nursing home presenting a substantial probability that death or serious mental or physical harm to a resident will result . . ."

The Department issued 32 Class A violations in calendar year 2008. The enclosed report provides details on all Class A

violations, including the original forfeiture amount assessed and the status of payment.

Sincerely,
KAREN E. TIMBERLAKE
Secretary

Referred to committee on **Aging and Long-Term Care**.

AGENCY REPORTS

State of Wisconsin
Legislative Audit Bureau
Madison

June 3, 2009

To the Honorable, the Assembly:

As required by s. [13.94 \(1\)\(de\)](#), Wis. Stats., we have completed a financial audit of the Local Government Property Insurance Fund, which provides property insurance to counties, towns, villages, school districts, and other local units of government. The Property Fund is administered by the Office of the Commissioner of Insurance (OCI). As of June 30, 2008, it insured \$45.5 billion in property owned by 1,124 local units of government. We have provided an unqualified auditor's report on the Property Fund's financial statements for the fiscal years (FYs) ending June 30, 2008, 2007, 2006, and 2005.

The Property Fund's surplus balance, or net assets available to pay future claims, has increased by \$12.2 million since June 30, 2004, and by the end of FY 2007-08 it had reached \$36.7 million. Therefore, the Property Fund began to reduce rates beginning July 1, 2005. OCI monitors premium rates and the surplus balance and believes both are appropriate in light of recent loss experience and its reinsurance program. We include a recommendation that OCI continue to monitor the Property Fund's surplus.

We question some of OCI's practices for charging expenses to the Property Fund's administration and operations appropriations, especially expenses related to a new computer system implemented in 2004. We include a recommendation that costs be charged in accordance with an approved and consistent methodology.

Finally, we note financial reporting concerns that are discussed in the Report on Control and Compliance included in this report.

We appreciate the courtesy and cooperation extended to us by OCI staff and the private contractor responsible for administration of the Property Fund. OCI's response follows our report.

Respectfully submitted,
JANICE MUELLER
State Auditor