



# STATE OF WISCONSIN

# Assembly Journal

## One-Hundredth Regular Session

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WEDNESDAY, October 31, 2012

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

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### COMMUNICATIONS

October 23, 2012

Executive Director Wyman Winston  
Wisconsin Housing and Economic Development Authority  
201 W. Washington Avenue, Suite 700  
Madison, WI 53703

Executive Director Winston:

I am writing to inform you that the Assembly Committee on Rural Economic Development and Rural Affairs has reviewed WHEDA's report to the legislature, *Dividends for Wisconsin*, pursuant to s. [234.165 \(2\)\(b\)3](#), Wis. Stats.

No objections have been raised by the Committee; therefore, the report is approved.

Sincerely,  
*AL OTT*  
State Representative  
3rd Assembly District  
Chair, Assembly Committee on Rural  
Economic Development and Rural Affairs

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State of Wisconsin  
Legislative Reference Bureau  
Madison

**DATE:** October 29, 2012

**TO:** Patrick E. Fuller  
Assembly Chief Clerk

Jeff Renk  
Assistant Senate Chief Clerk

**FROM:** Bruce J. Hoesly  
Code Editor

**SUBJECT:** Rules published in the October 31, 2012  
Wisconsin Administrative [Register, No. 682](#).

The following rules have been published:

[Clearinghouse Rule 12-009](#) effective 11-1-2012  
[Clearinghouse Rule 12-010](#) effective 11-1-2012

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### REFERRAL OF AGENCY REPORTS

State of Wisconsin  
Medical College of Wisconsin  
Milwaukee

October 15, 2012

To the Honorable, the Legislature:

Enclosed please find the Family Medicine Biennial Report of the Medical College of Wisconsin, prepared according to the statutory requirement under section 13.106. This report contains information in the following areas:

- The financial status of the family practice residency sites.
- The number of family practice residents choosing to practice in medically underserved areas of the state upon graduation.
- The number of graduates entering family practice as a career.

Please feel free to contact me at 414-955-8217 or [kkuhn@mcw.edu](mailto:kkuhn@mcw.edu) if you have questions or would like additional information.

Sincerely,  
*KATHRYN A. KUHN*  
Vice President, Government and  
Community Relations

Referred to committee on **Colleges and Universities**.

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State of Wisconsin  
State of Wisconsin Claims Board  
Madison

October 15, 2012

To the Honorable, the Legislature:

Enclosed is the report of the State Claims Board covering the claims heard on September 26, 2012.

Those claims approved for payment pursuant to the provisions of §16.007 and 775.05 Stats., have been paid directly by the Board.

This report is for the information of the Legislature. The Board would appreciate your acceptance and publication of it in the Journal to inform the members of the Legislature.

Sincerely,  
*GREGORY D. MURRAY*  
Secretary

Referred to committee on **Homeland Security and State Affairs.**

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State of Wisconsin  
Department of Health Services  
Madison

October 23, 2012

To the Honorable, the Legislature:

The Department of Health Services (DHS) is submitting the attached State Annual Performance Report for the Birth to 3 Program to meet the requirement in s. 51.44 (5)(c) to report on progress within the Program. The enclosed report, which covers federal fiscal year 2010-2011, was also submitted to the federal government per federal requirements.

The report highlights the positive outcomes created by the Birth to 3 Program. As intended, over 95 percent of participating children are served in their homes or other settings for typically developing children, such as child care centers. Parent satisfaction with the program remains high. In addition, all required federal indicators identified by the U.S. Department of Education, Office of Special Education Programs (OSEP) demonstrated compliance between 88 and 100 percent.

In the past year, Birth to 3 has engaged in a broad array of evidenced-based practices, at both the state and local level, to improve the quality of the program. These efforts will continue to ensure that Wisconsin children with disabilities and their families are well-served. DHS also focused on infrastructure development of our data system through the continuation of two data projects to track compliance with federal reporting indicators and to identify priorities and opportunities for improvement. In addition, DHS supported specific training on Indicator 3, Child Outcomes, which measures the progress children are making as a result of early intervention services.

If you have any questions regarding this report, please contact Susan Larsen, Program Supervisor, at (608) 267-9184 or by email at [susan.larsen@dhs.wisconsin.gov](mailto:susan.larsen@dhs.wisconsin.gov).

Sincerely,  
*DENNIS G. SMITH*  
Secretary

Referred to committee on **Children and Families.**

State of Wisconsin  
Department of Natural Resources  
Madison

October 26, 2012

To the Honorable, the Legislature:

As required by s. 292.25, Wis. Stats., the Department of Natural Resources is pleased to submit the attached report regarding the status of the Voluntary Party Liability Exemption (VPLE) environmental cleanup process. As required by law, this report is being submitted to the Governor, the Department of Administration and the Legislature. If you have any questions regarding this report, please contact Darsi Foss from my staff at 608-267-6713.

Sincerely,  
*CATHY STEPP*  
Secretary

Referred to committee on **Natural Resources.**

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State of Wisconsin  
Department of Health Services  
Madison

October 30, 2012

To the Honorable, the Legislature:

Attached is the Department of Health Services' 2009-11 Biennial Report.

Please let me know if you have questions.

Sincerely,  
*DONNA WONG*  
Office of Policy Initiatives and Budget

Referred to committee on **Health.**

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State of Wisconsin  
Department of Administration  
Madison

October 31, 2012

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 September 2012.

On September 1, 2012, the Medical Assistance Trust Fund cash balance closed at a negative \$9.5 million (its intra-month low). The cash balance was negative through September 30, 2012, when it closed at a negative \$4.5 million.

On September 1, 2012, the Environmental Fund cash balance closed at a negative \$3.8 million. The cash balance was

negative through September 30, 2012, when it closed at a negative \$6.6 million (its intra-month low).

The Medical Assistance Trust Fund and Environmental Fund shortfalls were due to the difference in the timing of revenues and expenditures, 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,  
*MIKE HUEBSCH*  
Secretary

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

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## AGENCY REPORTS

State of Wisconsin  
Department of Administration  
Madison

October 15, 2012

To the Honorable, the Legislature:

This report presents statements of fund condition and operations (budgetary basis) of the State of Wisconsin for the fiscal year ended June 30, 2012. This satisfies the requirements of sec. 16.40 (3), Wisconsin Statutes. Displayed are major sources of revenues and major categories of expenditures for the General Fund and other funds compared to the prior year.

The General Fund has an undesignated balance of \$342.1 million as of the end of the fiscal year. This is \$50.5 million higher than the balance of \$291.6 million projected in appropriation summaries under Chapter 20 of the Wisconsin Statutes, approved in the August 10, 2012 meeting of the Legislative Joint Finance Committee.

General-purpose revenue taxes were \$13.515 billion compared to \$12.912 billion in the prior year, an increase of \$603 million or 4.7 percent. Collections increased in fiscal year 2011-12 with individual income and sales tax collections 5.1% and 4.4% more, respectively, than the prior year.

General-purpose revenue expenditures, excluding fund transfers, were \$13.381 billion compared to \$13.565 billion in the prior year, a decrease of \$184 million or 1.4 percent. In fiscal year 2012, the State of Wisconsin continued to devote the major share of state tax collections to assistance to local school districts, municipalities and counties. Local assistance accounted for 53.7 percent of total general purpose revenue spending. Aid payments to individuals and organizations represented 22.4 percent of total general purpose revenue

expenditures. The University of Wisconsin accounted for 6.8 percent of total general purpose revenue spending and state operations spending for all other state agencies accounted for 17.1 percent of the total.

The State of Wisconsin expects to publish its comprehensive annual financial report in December of 2012. The report will be prepared under generally accepted accounting principles.

Sincerely,  
*MIKE HUEBSCH*  
Secretary of Administration  
*STEPHEN J. CENSKY, CPA*  
State Controller

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State of Wisconsin  
Wisconsin Economic Development Corporation  
Madison

October 24, 2012

To the Honorable, the Legislature:

Wisconsin Statute 238.07 (2) directs the board of the Wisconsin Economic Development Corporation to submit by October 1 an annual report on economic development programs of the corporation to the Joint Legislative Audit Committee and chief clerk of each house of the Legislature.

The report was approved by the WEDC Board of Directors on October 19, 2012. To ensure ease of accessibility, WEDC is hosting the report on its website at <http://inwisconsin.com/act125report/>

Sincerely,  
*DAVID VOLZ*  
Government Affairs Director

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State of Wisconsin  
Department of Administration  
Madison

October 30, 2012

To the Honorable, the Assembly:

The 2011-13 Biennial Budget (2011 Wisconsin Act 32) was balanced in part on achieving the following required lapses and transfers of funds to the general fund:

- DOA-allocated lapse of \$174.3 million from GPR and PR appropriations with cash balances, of which \$51,005,664 remains to occur in fiscal year 2012-13;
- PR lapses related to employee compensation changes, elimination of long-term vacant positions and across-the-board reductions;
- GPR and PR lapses related to the 2 percent pay increase received by represented employees in June 2009.

This memo focuses on the allocation of the \$51 million remaining from the \$174.3 million DOA-allocated lapse requirement under s. 9255 (1)(b) and the review and approval

process for all of the required lapses. Attached are the lapse allocation amounts for each of the lapses listed above. As in the past, specific exemptions were granted for high-priority programs, and lapses may not be taken from sum sufficient or federal appropriations. Unlike past biennia, the lapses may not be taken from segregated appropriations or any program revenue appropriations within the University of Wisconsin System. Finally, these lapse allocations may only be taken from sum certain GPR or PR appropriations that have a positive cash balance.

Agencies should submit lapse plans for those required under Act 32 to Brian Hayes, State Budget Director, by Monday, November 19th, outlining how the fiscal year 2012-13 lapses will be taken. These plans should minimize layoffs of state employees and should take advantage of high vacancy rates that exist in most state agencies. Any proposals that require

changes in statutory language should be noted. After the plans have been reviewed and approved, a consolidated plan that outlines the DOA-allocated lapse under s. 9255 (1)(b) will be submitted to the Joint Committee on Finance under its 14-day passive review authority.

These lapses will present operational challenges and opportunities to state agencies. The Governor remains committed to putting Wisconsin's state government on a stable fiscal footing while ensuring that it functions as efficiently and effectively as possible.

We appreciate the efforts of you and your staff in identifying creative ways to manage these reductions.

Sincerely,  
*MIKE HUEBSCH*  
Secretary