

P2 → P3

LRB-0971

Kunkel, Mark

From: Gary, Aaron
Sent: Friday, January 16, 2015 1:17 PM
To: Kunkel, Mark; Schwanz, Nathan E - DOA
Cc: Hanaman, Cathlene
Subject: RE: UW Madison sovereign immunity

I should also mention that, because the state is sovereign and the UW is the state, the UW union can (and does) sell beer without a municipal retail license. I think it likely that the UW System Authority, since it is not the state, would be subject to local alcohol beverage licensing laws (unless there is a specific provision in the bill providing otherwise). That is, without a contrary provision in the bill, the UW Union would have to obtain a retail license to sell alcohol but, under current law, would probably not be eligible for such a license because the authority is probably not a "person" under the limited definition in s. 125.02 (14).

Do you want this issue addressed in the bill? If so, do you want the authority to be able to continue selling alcohol without a license or do you want it to be a "person" so that it can obtain a license from, for example, the city of Madison?

Thanks. Aaron

Aaron R. Gary
Attorney, Legislative Reference Bureau
608.261.6926 (voice)
608.264.6948 (fax)
aaron.gary@legis.state.wi.us

From: Kunkel, Mark
Sent: Friday, January 16, 2015 12:53 PM
To: Schwanz, Nathan E - DOA
Cc: Hanaman, Cathlene; Gary, Aaron
Subject: RE: UW Madison sovereign immunity

The provisions summarized below were included in the 2011 budget proposal at the request of the UW-Madison to attempt to ensure that the UW-Madison Authority would retain its sovereign immunity.

Items 1 and 2 were added to a statute (s. 893.82) that imposes procedural requirements and damages limits in civil actions against a "state officer, employee, or agent." Under that statute, except for medical malpractice actions, a person can't bring a civil action without first providing the attorney general a written notice of the claim within 120 days after of the event causing the damage giving rise to the action. See 893.80 (3). Under the statute, damages cannot exceed \$250,000 and punitive damages are not allowed. See s. 893.82 (6). The 2011 budget proposal created s. 893.82 (2) (d) 4., to include an officer, director, employee, or agent of the Board of Trustees of the UW-Madison Authority within the definition of "state officer, employee, or agent" for purposes of the statute. We did not include a comparable provision in the latest version of your budget draft, LRB-0971/P2 (P2).

As an alternative to including the UW-Madison Authority under s. 893.82, it could have been included under a different statute (s. 893.80) that applies to actions against a political corporation, governmental subdivision, or agency thereof. That statute also applies to actions against an officer, official, agent, or employee of a political corporation, governmental subdivision, or agency for acts done in their official capacity or course of employment. A similar 120 day

note-of-claim requirement applies to actions under that statute, but the notice must be provided to the political corporation, etc., instead of the attorney general. See s. 893.80 (1d) (a). Punitive damages are also prohibited, but there is a lower \$50,000 limit on damages. See s. 890.80 (3). The Wisconsin Supreme Court has held that s. 893.80 applies to the UWHCA, because it is a "political corporation." *Rouse v. Theda Clark Medical Center, Inc.* 302 Wis. 2d 358 (2007). In the 2011 drafting file, an email from the UW's Nancy Lynch dated Feb. 16, 2011 explains that the UW wanted s. 893.82 to apply, rather than s. 893.80 because: "We want to keep the AG's office as the receiver of our [notices of complaint], and we did not think the 50,000 damages cap in 893.80 would ever fly with the legislature." (see attached)

Item 3 was added to a statute (s. 895.46) that indemnifies a "public officer or employee" for judgments in excess of any applicable insurance. The statute applies if a public officer or employee "is proceeded against in an official capacity, or is proceeded against as an individual because of acts committed while carrying out duties as an officer or employee and the jury or the court finds that the defendant was acting within the scope of employment." Section 895.46 (1) (a). If the foregoing is satisfied, and the court finds that the public officer or employee must pay damages and costs, then the state or political subdivision of which the defendant is an officer or employee must pay damages and costs that exceed applicable insurance. Section 895.46 (1) (a).

(see attached)
The 2011 budget proposal applied the statute in item 3 to the UW-Madison Authority by creating s. 895.46 (11): "An officer, director, employee, or agent of the Board of Trustees of the University of Wisconsin-Madison is a state officer, employee, or agent for the purposes of this section [i.e., 895.46]." The drafting file indicates that the goal was "to ensure that the state is responsible for legal fees and damages. This is an important factor in maintaining our sovereign immunity." Lisa Wilson email dated Feb. 16, 2011. We did not include a comparable provision in the P2. However, note that the 2011 proposal appropriated money for the UW Madison's costs under the statute only if the UW Madison opted in under the state's risk management plan under s. 16.865 (10). If it opted in, then the appropriation under s. 20.505 (2) (k) could be used to pay the costs, as the proposal amended the appropriation to cover settlements of UW-Madison liability under s. 895.46 (1). If you want to do something similar, we have to make changes to the P2's treatment of s. 20.505 (2) (k). See the note following that treatment in the P2.

Item 4 was accomplished by creating s. 165.25 (8r), and we have included the same language in the P2.

Let me know if you want to make any changes to the P2. You may also want to get the UW's input on this issue. Finally, although we can attempt to maintain sovereign immunity, we can't predict what a court would do.

--Mark

From: Kunkel, Mark
Sent: Thursday, January 15, 2015 5:13 PM
To: 'Schwanz, Nathan E - DOA'
Subject: RE: UW Madison sovereign immunity

I'll have to get back to tomorrow on this.

From: Schwanz, Nathan E - DOA [<mailto:Nathan.Schwanz@wisconsin.gov>]
Sent: Thursday, January 15, 2015 11:43 AM
To: Kunkel, Mark
Subject: RE: UW Madison sovereign immunity

Thanks Mark. I appreciate your help with this.

Nathan

From: Kunkel, Mark [<mailto:Mark.Kunkel@legis.wisconsin.gov>]
Sent: Thursday, January 15, 2015 11:40 AM
To: Schwanz, Nathan E - DOA
Subject: UW Madison sovereign immunity

Nathan:

The following text describes how the UW-Madison Authority in the 2011 budget dealt with sovereign immunity. The text is from the analysis we prepared. It will take me a while to figure out which statutory changes ensured what the text describes, and then determine whether we have included them in your request. I'll be able to look at that later today.

--Mark

The bill does the following regarding legal proceedings involving the authority:

1. Under current law, no one may sue a state officer, employee, or agent who is acting in his or her official capacity for damages unless the person serves the attorney general with a written notice of claim within 120 days of the event that allegedly caused the damages. The bill applies the prohibition to actions against an officer, director, employee, or agent of the Board of Trustees.
2. With few exceptions, current law limits damages in a case against a state officer, employee, or agent who is acting in his or her official capacity to \$250,000. The bill applies the limit to actions against an officer, director, employee, or agent of the Board of Trustees.
3. Under current law, generally, if a public officer or a state employee is sued in an official capacity or for actions undertaken within the scope of his or her employment, the state or the political subdivision that employs the officer or employee must provide legal counsel to the defendant officer or employee or cover legal costs for the officer or employee. If damages are assessed against the officer or employee, the state or political subdivision must pay the damages. Under the bill, an officer, director, employer, or agent of the Board of Trustees is treated as a state officer, director, employer, or agent for purposes of the foregoing requirements.
4. Under current law, DOJ represents the state, state agencies, and state employees in certain legal proceedings, reviews, and actions. Under the bill, DOJ represents the Board of Trustees as a department of state government and the officials, employees, and agents of the board as state officials, employees, and agents for the purpose of representation in civil and criminal proceedings, and upon request, for the purpose of appearing for and representing the board or its officials, employees, or agents at an administrative or civil court proceeding.

2011 Drafting file email
Attachment

Grant, Peter

From: Lynch, Nancy [NLYNCH@vc.wisc.edu]
Sent: Wednesday, February 16, 2011 1:26 PM
To: Grant, Peter; Rutherford, Lisa
Subject: RE: Claims
Signed By: nlynch@vc.wisc.edu

Peter,

893.82 is sufficient and we do not need to be included in 893.80. Section 893.80 is that section that applies to UWHC with respect to NOCs and damages cap. We currently do not fall within it, and did not think it better to be moved from 893.82 to 893.80. We want to keep the AG's office as the receiver of our NOCs, and we did not think the 50,000 damages cap in 893.80 would ever fly with the legislature.

From: Grant, Peter [mailto:Peter.Grant@legis.wisconsin.gov]
Sent: Wednesday, February 16, 2011 12:42 PM
To: Lynch, Nancy; Rutherford, Lisa
Subject: Claims

We amended 893.82, as you requested. We're wondering why you chose to amend that section instead of 893.80. Do you think that 893.80 should also be amended, or is 893.82 sufficient?

Peter and Mark

Grant, Peter

Attachment

From: Wilson, Lisa A [lwilson@vc.wisc.edu]
Sent: Wednesday, February 16, 2011 2:33 PM
To: Kunkel, Mark; Lynch, Nancy; Rutherford, Lisa
Cc: Grant, Peter
Subject: RE: Chs. 893 and 895
Peter, et al.,

I agree with Peggy Hurley's assessment as to the effect of section 893.82(2)(d)4.

In response to her questions regarding section 895.46(10), I agree that "employer" should be changed to "employee". That was a typo. Additionally, the goal of subsection (10) in specifying that employees and agents of the Board of Trustees are employees and agents of the state for purposes of section 895.46 was to ensure that the state is responsible for legal fees and damages. This is an important factor in maintaining our sovereign immunity. Peggy states that if the intent of sub (10) is for the state to assume liability for attorney fees and damages, then the section as drafted is fine as is. I agree.

Lisa

Lisa A. Wilson
University Legal Counsel
University of Wisconsin-Madison
500 Lincoln Drive, Bascom Hall Rm 361
Madison, WI 53706
Office: 608-262-2668
Cell: 608-212-8015
Fax: 608-263-4725
lwilson@vc.wisc.edu

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Wednesday, February 16, 2011 1:09 PM
To: Lynch, Nancy; Rutherford, Lisa
Cc: Grant, Peter
Subject: Chs. 893 and 895

We asked Peggy Hurley, an LRB attorney, to describe the creation of 893.82 (2) (d) 4. and 895.46 (10), which we may need to add to the analysis of the bill. Please see her description in blue below, along with her comments, and please give us your feedback.

PS I think she's right about the typo (employer should be employee).

From: Hurley, Peggy
Sent: Wednesday, February 16, 2011 12:43 PM
To: Kunkel, Mark
Cc: Grant, Peter

2/16/2011

Kunkel, Mark

From: Kunkel, Mark
Sent: Friday, January 16, 2015 4:50 PM
To: 'Schwanz, Nathan E - DOA'
Cc: Shovers, Marc
Subject: RE: Draft 2 Questions/Feedback

I'll let Marc Shovers look at your questions regarding items 1, 2, and 4.

Item 3: yes, many P1 sections were removed because the reference to UW System seems more appropriate than UW System Authority. I can tell you exactly which sections were removed on that basis. I can get that to you this weekend or by Monday.

Item 5: yes, "provide" is a typo and we will change to "provided."

Item 6: sections 163 and 164 in the P1 were redundant. They were worded slightly differently, but both required the UWSA to establish a code of ethics, so I struck section 164. In the P2, section 172 is identical to section 163 in the P1.

Item 7: I will amend the appropriation accordingly in the next version

Item 8: I will make the changes in the next version

--Mark

From: Schwanz, Nathan E - DOA [mailto:Nathan.Schwanz@wisconsin.gov]
Sent: Friday, January 16, 2015 4:33 PM
To: Kunkel, Mark
Cc: Hynek, Sara - DOA
Subject: Draft 2 Questions/Feedback

Hi Mark,

I've taken a look through the second draft and here are some questions I have. The list is getting shorter, so that's a good sign, I think.

1. Can you explain to me what the draft does with the UW's building processes and the Building Commission's relationship with them? I don't quite understand the current statutes let alone what the draft does.
2. Does Section 11 require the UW to report all proposed projects to the Building Commission?
3. I assume that many sections of P1 were removed due to the change in ch. 36 with referring to the authority as the University of Wisconsin System.
4. Section 128: DOA does not need to oversee the bidding process for projects funded by gifts and grants.
5. Section 133: I think the word "provide" on line 11 should be "provided."
6. Is Section 164 of P1 now addressed elsewhere in P2?
7. Section 211: The UW should no longer get the money in this statute.
8. Section 347: A couple items for this section:
 - a. The term of the lease should be 75 years instead of 30.
 - b. Subdivision 4 (lines 8-10 on page 87) refer to land the referenced statute, 16.85(12) refers to facilities. We would like it to apply to facilities, not land.
9. Section 567: Yes, the reference to leased is OK.

10. Section 700: Yes, your reference to leased or owned property is OK.

That's all for now. Thank you for all your help with this.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Schwanz, Nathan E - DOA <Nathan.Schwanz@wisconsin.gov>
Sent: Saturday, January 17, 2015 2:48 PM
To: Kunkel, Mark
Subject: RE: Draft 2 Questions/Feedback

Thanks Mark. I noticed most of these and they all look OK to me.

Nathan

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Saturday, January 17, 2015 2:39 PM
To: Schwanz, Nathan E - DOA
Subject: RE: Draft 2 Questions/Feedback

In the P1, we amended all references to the UW System to refer instead to the UW System Authority. In creating the P2, I decided that it wasn't appropriate to change all those references. Instead, when referring to students or schools in the UW, I decided it would be more appropriate to continue to refer to the UW System, instead of the UW System Authority. Therefore, I removed the following sections of the P1 from the P2. If you think some of the removed sections should be put back into the draft let me know.

P1 sections that were removed:

36
41
42
92
93
164
166
250
254
484-487
490
492-499
516
522
523
529
533
534
545
548
563
569
570
594
595
631-633
638-641
644

683
688
691
705
713
718
725
730

From: Kunkel, Mark
Sent: Friday, January 16, 2015 4:50 PM
To: 'Schwanz, Nathan E - DOA'
Cc: Shovers, Marc
Subject: RE: Draft 2 Questions/Feedback

I'll let Marc Shovers look at your questions regarding items 1, 2, and 4.

Item 3: yes, many P1 sections were removed because the reference to UW System seems more appropriate than UW System Authority. I can tell you exactly which sections were removed on that basis. I can get that to you this weekend or by Monday.

Item 5: yes, "provide" is a typo and we will change to "provided."

Item 6: sections 163 and 164 in the P1 were redundant. They were worded slightly differently, but both required the UWSA to establish a code of ethics, so I struck section 164. In the P2, section 172 is identical to section 163 in the P1.

Item 7: I will amend the appropriation accordingly in the next version

Item 8: I will make the changes in the next version

--Mark

From: Schwanz, Nathan E - DOA [<mailto:Nathan.Schwanz@wisconsin.gov>]
Sent: Friday, January 16, 2015 4:33 PM
To: Kunkel, Mark
Cc: Hynek, Sara - DOA
Subject: Draft 2 Questions/Feedback

Hi Mark,

I've taken a look through the second draft and here are some questions I have. The list is getting shorter, so that's a good sign, I think.

1. Can you explain to me what the draft does with the UW's building processes and the Building Commission's relationship with them? I don't quite understand the current statutes let alone what the draft does.
2. Does Section 11 require the UW to report all proposed projects to the Building Commission?
3. I assume that many sections of P1 were removed due to the change in ch. 36 with referring to the authority as the University of Wisconsin System.
4. Section 128: DOA does not need to oversee the bidding process for projects funded by gifts and grants.
5. Section 133: I think the word "provide" on line 11 should be "provided."
6. Is Section 164 of P1 now addressed elsewhere in P2?

7. Section 211: The UW should no longer get the money in this statute.
8. Section 347: A couple items for this section:
 - a. The term of the lease should be 75 years instead of 30.
 - b. Subdivision 4 (lines 8-10 on page 87) refer to land the referenced statute, 16.85(12) refers to facilities. We would like it to apply to facilities, not land.
9. Section 567: Yes, the reference to leased is OK.
10. Section 700: Yes, your reference to leased or owned property is OK.

That's all for now. Thank you for all your help with this.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Schwanz, Nathan E - DOA <Nathan.Schwanz@wisconsin.gov>
Sent: Monday, January 19, 2015 9:50 AM
To: Kunkel, Mark
Subject: FW: UWSA Draft

Mark,

Here is some feedback on the state lab and vet lab changes in P2. They came from the SBO team that is inheriting these boards. Please let me know if you have any questions about these.

Nathan

From: Frederick, Caitlin - DOA
Sent: Monday, January 19, 2015 9:23 AM
To: Schwanz, Nathan E - DOA; Byrnes, Tyler - DOA
Cc: Hynek, Sara - DOA
Subject: RE: UWSA Draft

My review:

Section 185. Do we need to add money received from state agencies?

*(12-20 20.115(9)(K)
PR-5*

Section 211

Need appropriation in 20.370 (3) for charges for sloh.

General: need debt service for vet lab.

Section 392

Do we need to add section permitting sloh to charge state agencies?

SEE 97-19 INSEAT

Section 579

This should be repealed as no seg funds are to go to uw. Check that this decision is reflected elsewhere. Remaining funds should lapse.

Non stat;

Asset and liabilities should transfer to datcp for sloh and vet lab. And employees.

Other non stat:

Sloh shall track services provided to state agencies under the gpr appropriation and develop a plan to begin charging those agencies as part of their 17-19 datcp budget request.

see non stat

(We would move gpr from sloh to agencies as needed in 17-19)

Drafter can talk to me directly if questions. I will be in later.

Sent from my U.S. Cellular® Smartphone

----- Original message -----

From: "Schwanz, Nathan E - DOA"
Date:01/17/2015 15:33 (GMT-06:00)
To: "Byrnes, Tyler - DOA"
Cc: "Frederick, Caitlin - DOA" , "Hynek, Sara - DOA"
Subject: UWSA Draft

Tyler,

Attached is the second draft of the UW authority. This draft includes changes made to the two boards being transferred to DATCP.

Here are the sections that deal with that change:

1. Section 174 on page 52.
2. Section 179 on page 53.
3. Section 180 on page 53.
4. Section 185 on page 54.
5. Section 186 on page 54.
6. Section 187 on page 55.
7. Section 189 on page 55.
8. Section 192 on page 55.
9. Section 227 on page 62.
10. Section 231 on page 63.
11. Section 392 on page 92.
12. Section 469 on page 97.
13. Section 674 on page 153.
14. Section 692 on page 157.

That should cover all the sections dealing with these two boards. Please let me know if you have any questions or if anything is missing. Thanks.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Frederick, Caitlin - DOA <Caitlin.Frederick@wisconsin.gov>
Sent: Tuesday, January 20, 2015 4:23 PM
To: Kunkel, Mark
Cc: Byrnes, Tyler - DOA; Schwanz, Nathan E - DOA; Steinmetz, Jana D - DOA; Hynek, Sara - DOA
Subject: RE: UWSA Draft

See my comments. In color.

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Tuesday, January 20, 2015 11:45 AM
To: Frederick, Caitlin - DOA
Cc: Schwanz, Nathan E - DOA
Subject: FW: UWSA Draft

See my italicized comments below.

From: Schwanz, Nathan E - DOA [mailto:Nathan.Schwanz@wisconsin.gov]
Sent: Monday, January 19, 2015 9:50 AM
To: Kunkel, Mark
Subject: FW: UWSA Draft

Mark,

Here is some feedback on the state lab and vet lab changes in P2. They came from the SBO team that is inheriting these boards. Please let me know if you have any questions about these.

Nathan

From: Frederick, Caitlin - DOA
Sent: Monday, January 19, 2015 9:23 AM
To: Schwanz, Nathan E - DOA; Byrnes, Tyler - DOA
Cc: Hynek, Sara - DOA
Subject: RE: UWSA Draft

My review:

Section 185. Do we need to add money received from state agencies? *Yes. I will create a PR-S for DATCP, s. 20.115 (9) (k) "State agency services. All moneys received from other state agencies for the costs of services performed by the state laboratory of hygiene for those state agencies, to provide those services."* Ok ✓

Section 211

Need appropriation in 20.370 (3) for charges for sloh. *Do you need an appropriation, or can DNR rely on a general program operations appropriation under current law to pay SLOH? If you need a new appropriation, do you want to specify amounts in the schedule for DNR to pay SLOH? And what is the funding source, the general fund or the conservation fund? Also, as noted below, I assume that DHS should also pay SLOH. If so, do you need a DHS appropriation for the payments, or is there a general program operations appropriation under current law that DHS can use to pay SLOH? DNR has asked for a special appropriation so the money is sheltered for this purpose. DHS will be using a general appropriation because the impact is smaller. For DNR, it should be amounts in the schedule, GPR, in a new program 3 appropriation.*

General: need debt service for vet lab. *From our conversation yesterday, it looked like you were going to check on this one. Let me know what you think. I think no drafting revisions are required.* ✓

Section 392

Do we need to add section permitting sloh to charge state agencies? *From our conversation yesterday, I assume you want to require SLOH to charge DNR and DHS, and allow, but not require, charges for other agencies. If that is correct, I will add the following sentence to page 92, line 19: The laboratory shall charge the department of natural resources and the department of health services, and may charge any other state agency, a fee sufficient to reimburse the laboratory for the costs of providing services under this subsection. I think this works.* ✓

Section 579

This should be repealed as no seg funds are to go to uw. Check that this decision is reflected elsewhere. Remaining funds should lapse. *Is it okay for me to do this repeal? It looks like you were going to check this first. Yes, any SEG appropriations in the UW, or SEG money that goes to the UW that may not be enumerated as such should be repealed effective with the date of the UW Authority. Any associated impacts (such as the Fertilizer Research council language in current draft, would also be repealed. I don't know that you would necessarily repeal the council, in this instance, but it would have to be reworked to reflect that they no longer receive money under ch. 94 as currently noted. Perhaps it's just repealing 94.64(8m)(a) and reworking (b). I am not familiar enough with the council and other potential sources of funds. If they have SEG funds through appropriation authority, remaining funds should lapse back to the appropriate account (ex. Environmental Fund).*

Non stat:

Asset and liabilities should transfer to datcp for sloh and vet lab. And employees. *I will add to the nonstat transfer section. In addition to assets and liabilities, I assume I should also transfer tangible personal property, including records. As for pending matters, contracts, rules, policies, or orders, there is no need to transfer them, as SLOH and vet. diagnostic lab will retain their powers and duties. Ok.* ✓

Other non stat:

Sloh shall track services provided to state agencies under the gpr appropriation and develop a plan to begin charging those agencies as part of their 17-19 datcp budget request. *I will add appropriate language to the nonstats. Ok. I assume you can pretty up the language appropriately.* ✓

(We would move gpr from sloh to agencies as needed in 17-19)

Drafter can talk to me directly if questions. I will be in later.

Sent from my U.S. Cellular® Smartphone

----- Original message -----

From: "Schwanz, Nathan E - DOA"

Date: 01/17/2015 15:33 (GMT-06:00)

To: "Byrnes, Tyler - DOA"

Cc: "Frederick, Caitlin - DOA", "Hynek, Sara - DOA"

Subject: UWSA Draft

Tyler,

Attached is the second draft of the UW authority. This draft includes changes made to the two boards being transferred to DATCP.

Here are the sections that deal with that change:

1. Section 174 on page 52.
2. Section 179 on page 53.
3. Section 180 on page 53.
4. Section 185 on page 54.
5. Section 186 on page 54.
6. Section 187 on page 55.
7. Section 189 on page 55.
8. Section 192 on page 55.
9. Section 227 on page 62.
10. Section 231 on page 63.
11. Section 392 on page 92.
12. Section 469 on page 97.
13. Section 674 on page 153.
14. Section 692 on page 157.

That should cover all the sections dealing with these two boards. Please let me know if you have any questions or if anything is missing. Thanks.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Kunkel, Mark
Sent: Wednesday, January 21, 2015 9:54 AM
To: Tradewell, Becky
Subject: RE: 20.370 (3) new appropriation

Okay, ga it is!

From: Tradewell, Becky
Sent: Wednesday, January 21, 2015 9:37 AM
To: Kunkel, Mark
Subject: RE: 20.370 (3) new appropriation

How about (ga)?

From: Kunkel, Mark
Sent: Wednesday, January 21, 2015 9:34 AM
To: Tradewell, Becky
Subject: 20.370 (3) new appropriation

DOA says that DNR wants a sum certain appropriation, from the general fund, in s. 20.370 (3) to pay the State Laboratory of Hygiene for services rendered to DNR.

Do you have any preference as to the paragraph number that I use?

Kunkel, Mark

From: Kunkel, Mark
Sent: Wednesday, January 21, 2015 11:32 AM
To: 'Schwanz, Nathan E - DOA'
Subject: RE: Next draft

Okay.

From: Schwanz, Nathan E - DOA [mailto:Nathan.Schwanz@wisconsin.gov]
Sent: Wednesday, January 21, 2015 11:00 AM
To: Kunkel, Mark
Subject: Next draft

Hi Mark,

I'm not sure where you are with the UW authority draft, but can you hold off on finalizing the next draft? I have feedback coming in from multiple people right now and would like to get that all to you at once. I think it will be easier that way. It will also allow for everyone to work off the same draft at the same time.

Thanks.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Frederick, Caitlin - DOA <Caitlin.Frederick@wisconsin.gov>
Sent: Wednesday, January 21, 2015 12:07 PM
To: Kunkel, Mark
Cc: Byrnes, Tyler - DOA; Schwanz, Nathan E - DOA; Steinmetz, Jana D - DOA; Hynek, Sara - DOA
Subject: RE: UWSA Draft

This works. Thanks.

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Wednesday, January 21, 2015 11:26 AM
To: Frederick, Caitlin - DOA
Cc: Byrnes, Tyler - DOA; Schwanz, Nathan E - DOA; Steinmetz, Jana D - DOA; Hynek, Sara - DOA
Subject: RE: UWSA Draft

Just a quick follow-up on section 579, discussed below.

The fertilizer research council's only statutory role (set forth at s. 94.64 (8m) (b)) is to recommend research projects that are funded by surcharges on tonnage fees (s. 94.64 (4) (a) 2.) and fees paid by certain permit holders (s. 95.65 (6) (a) 3.). Those fees are appropriated to DATCP under s. 20.115 (7) (h) for DATCP to forward to the UW for research under s. 94.64 (8m) (a).

Because the council's only role involves fees for research that are being eliminated, it makes sense to eliminate the council as well. Therefore, in the next version of the draft, I will repeal all the statutes mentioned above, as well as s. 15.137 (5), which creates the council, and s. 94.64 (4) (c) 2., which references the tonnage fee surcharges.

From: Frederick, Caitlin - DOA [mailto:Caitlin.Frederick@wisconsin.gov]
Sent: Tuesday, January 20, 2015 4:23 PM
To: Kunkel, Mark
Cc: Byrnes, Tyler - DOA; Schwanz, Nathan E - DOA; Steinmetz, Jana D - DOA; Hynek, Sara - DOA
Subject: RE: UWSA Draft

See my comments. In color.

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Tuesday, January 20, 2015 11:45 AM
To: Frederick, Caitlin - DOA
Cc: Schwanz, Nathan E - DOA
Subject: FW: UWSA Draft

See my italicized comments below.

From: Schwanz, Nathan E - DOA [mailto:Nathan.Schwanz@wisconsin.gov]
Sent: Monday, January 19, 2015 9:50 AM
To: Kunkel, Mark
Subject: FW: UWSA Draft

Mark,

Here is some feedback on the state lab and vet lab changes in P2. They came from the SBO team that is inheriting these boards. Please let me know if you have any questions about these.

Nathan

From: Frederick, Caitlin - DOA
Sent: Monday, January 19, 2015 9:23 AM
To: Schwanz, Nathan E - DOA; Byrnes, Tyler - DOA
Cc: Hynek, Sara - DOA
Subject: RE: UWSA Draft

My review:

Section 185. Do we need to add money received from state agencies? *Yes. I will create a PR-S for DATCP, s. 20.115 (9) (k) "State agency services. All moneys received from other state agencies for the costs of services performed by the state laboratory of hygiene for those state agencies, to provide those services."Ok*

Section 211

Need appropriation in 20.370 (3) for charges for sloh. *Do you need an appropriation, or can DNR rely on a general program operations appropriation under current law to pay SLOH? If you need a new appropriation, do you want to specify amounts in the schedule for DNR to pay SLOH? And what is the funding source, the general fund or the conservation fund? Also, as noted below, I assume that DHS should also pay SLOH. If so, do you need a DHS appropriation for the payments, or is there a general program operations appropriation under current law that DHS can use to pay SLOH?DNR has asked for a special appropriation so the money is sheltered for this purpose. DHS will be using a general appropriation because the impact is smaller. For DNR, it should be amounts in the schedule, GPR, in a new program 3 appropriation.*

General: need debt service for vet lab. *From our conversation yesterday, it looked like you were going to check on this one. Let me know what you think. I think no drafting revisions are required.*

Section 392

Do we need to add section permitting sloh to charge state agencies? *From our conversation yesterday, I assume you want to require SLOH to charge DNR and DHS, and allow, but not require, charges for other agencies. If that is correct, I will add the following sentence to page 92, line 19: The laboratory shall charge the department of natural resources and the department of health services, and may charge any other state agency, a fee sufficient to reimburse the laboratory for the costs of providing services under this subsection. I think this works.*

Section 579

This should be repealed as no seg funds are to go to uw. Check that this decision is reflected elsewhere. Remaining funds should lapse. *Is it okay for me to do this repeal? It looks like you were going to check this first. Yes, any SEG appropriations in the UW, or SEG money that goes to the UW that may not be enumerated as such should be repealed effective with the date of the UW Authority. Any associated impacts (such as the Fertilizer Research council language in current draft, would also be repealed. I don't know that you would necessarily repeal the council, in this instance, but it would have to be reworked to reflect that they no longer receive money under ch. 94 as currently noted. Perhaps it's just repealing 94.64(8m)(a) and reworking (b). I am not familiar enough with the council and other potential sources of funds. If they have SEG funds through appropriation authority, remaining funds should lapse back to the appropriate account (ex. Environmental Fund).*

Non stat:

Asset and liabilities should transfer to datcp for sloh and vet lab. And employees. *I will add to the nonstat transfer section. In addition to assets and liabilities, I assume I should also transfer tangible personal property, including records. As for pending matters, contracts, rules, policies, or orders, there is no need to transfer them, as SLOH and vet. diagnostic lab will retain their powers and duties. Ok.*

Other non stat:

Sloh shall track services provided to state agencies under the gpr appropriation and develop a plan to begin charging those agencies as part of their 17-19 datcp budget request. *I will add appropriate language to the nonstats. Ok. I assume you can pretty up the language appropriately.*

(We would move gpr from sloh to agencies as needed in 17-19)

Drafter can talk to me directly if questions. I will be in later.

Sent from my U.S. Cellular® Smartphone

----- Original message -----

From: "Schwanz, Nathan E - DOA"

Date:01/17/2015 15:33 (GMT-06:00)

To: "Byrnes, Tyler - DOA"

Cc: "Frederick, Caitlin - DOA" , "Hynek, Sara - DOA"

Subject: UWSA Draft

Tyler,

Attached is the second draft of the UW authority. This draft includes changes made to the two boards being transferred to DATCP.

Here are the sections that deal with that change:

1. Section 174 on page 52.
2. Section 179 on page 53.
3. Section 180 on page 53.
4. Section 185 on page 54.
5. Section 186 on page 54.
6. Section 187 on page 55.
7. Section 189 on page 55.
8. Section 192 on page 55.
9. Section 227 on page 62.
10. Section 231 on page 63.
11. Section 392 on page 92.
12. Section 469 on page 97.
13. Section 674 on page 153.
14. Section 692 on page 157.

That should cover all the sections dealing with these two boards. Please let me know if you have any questions or if anything is missing. Thanks.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Schwanz, Nathan E - DOA <Nathan.Schwanz@wisconsin.gov>
Sent: Wednesday, January 21, 2015 12:56 PM
To: Kunkel, Mark
Subject: RE: UWSA Draft

Sounds good. Thanks. This was going to be on my next list of revisions for you.

Nathan

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Wednesday, January 21, 2015 11:26 AM
To: Frederick, Caitlin - DOA
Cc: Byrnes, Tyler - DOA; Schwanz, Nathan E - DOA; Steinmetz, Jana D - DOA; Hynek, Sara - DOA
Subject: RE: UWSA Draft

Just a quick follow-up on section 579, discussed below.

The fertilizer research council's only statutory role (set forth at s. 94.64 (8m) (b)) is to recommend research projects that are funded by surcharges on tonnage fees (s. 94.64 (4) (a) 2.) and fees paid by certain permit holders (s. 95.65 (6) (a) 3.). Those fees are appropriated to DATCP under s. 20.115 (7) (h) for DATCP to forward to the UW for research under s. 94.64 (8m) (a).

Because the council's only role involves fees for research that are being eliminated, it makes sense to eliminate the council as well. Therefore, in the next version of the draft, I will repeal all the statutes mentioned above, as well as s. 15.137 (5), which creates the council, and s. 94.64 (4) (c) 2., which references the tonnage fee surcharges.

From: Frederick, Caitlin - DOA [mailto:Caitlin.Frederick@wisconsin.gov]
Sent: Tuesday, January 20, 2015 4:23 PM
To: Kunkel, Mark
Cc: Byrnes, Tyler - DOA; Schwanz, Nathan E - DOA; Steinmetz, Jana D - DOA; Hynek, Sara - DOA
Subject: RE: UWSA Draft

See my comments. In color.

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Tuesday, January 20, 2015 11:45 AM
To: Frederick, Caitlin - DOA
Cc: Schwanz, Nathan E - DOA
Subject: FW: UWSA Draft

See my italicized comments below.

From: Schwanz, Nathan E - DOA [mailto:Nathan.Schwanz@wisconsin.gov]
Sent: Monday, January 19, 2015 9:50 AM
To: Kunkel, Mark
Subject: FW: UWSA Draft

Mark,

Here is some feedback on the state lab and vet lab changes in P2. They came from the SBO team that is inheriting these boards. Please let me know if you have any questions about these.

Nathan

From: Frederick, Caitlin - DOA
Sent: Monday, January 19, 2015 9:23 AM
To: Schwanz, Nathan E - DOA; Byrnes, Tyler - DOA
Cc: Hynek, Sara - DOA
Subject: RE: UWSA Draft

My review:

Section 185. Do we need to add money received from state agencies? *Yes. I will create a PR-S for DATCP, s. 20.115 (9) (k) "State agency services. All moneys received from other state agencies for the costs of services performed by the state laboratory of hygiene for those state agencies, to provide those services."*Ok

Section 211

Need appropriation in 20.370 (3) for charges for sloh. *Do you need an appropriation, or can DNR rely on a general program operations appropriation under current law to pay SLOH? If you need a new appropriation, do you want to specify amounts in the schedule for DNR to pay SLOH? And what is the funding source, the general fund or the conservation fund? Also, as noted below, I assume that DHS should also pay SLOH. If so, do you need a DHS appropriation for the payments, or is there a general program operations appropriation under current law that DHS can use to pay SLOH? DNR has asked for a special appropriation so the money is sheltered for this purpose. DHS will be using a general appropriation because the impact is smaller. For DNR, it should be amounts in the schedule, GPR, in a new program 3 appropriation.*

General: need debt service for vet lab. *From our conversation yesterday, it looked like you were going to check on this one. Let me know what you think. I think no drafting revisions are required.*

Section 392

Do we need to add section permitting sloh to charge state agencies? *From our conversation yesterday, I assume you want to require SLOH to charge DNR and DHS, and allow, but not require, charges for other agencies. If that is correct, I will add the following sentence to page 92, line 19: The laboratory shall charge the department of natural resources and the department of health services, and may charge any other state agency, a fee sufficient to reimburse the laboratory for the costs of providing services under this subsection. I think this works.*

Section 579

This should be repealed as no seg funds are to go to uw. Check that this decision is reflected elsewhere. Remaining funds should lapse. *Is it okay for me to do this repeal? It looks like you were going to check this first. Yes, any SEG appropriations in the UW, or SEG money that goes to the UW that may not be enumerated as such should be repealed effective with the date of the UW Authority. Any associated impacts (such as the Fertilizer Research council language in current draft, would also be repealed. I don't know that you would necessarily repeal the council, in this instance, but it would have to be reworked to reflect that they no longer receive money under ch. 94 as currently noted. Perhaps it's just repealing 94.64(8m)(a) and reworking (b). I am not familiar enough with the council and other potential sources of funds. If they have SEG funds through appropriation authority, remaining funds should lapse back to the appropriate account (ex. Environmental Fund).*

Non stat:

Asset and liabilities should transfer to datcp for sloh and vet lab. And employees. *I will add to the nonstat transfer section. In addition to assets and liabilities, I assume I should also transfer tangible personal property, including records. As for pending matters, contracts, rules, policies, or orders, there is no need to transfer them, as SLOH and vet. diagnostic lab will retain their powers and duties. Ok.*

Other non stat:

Sloh shall track services provided to state agencies under the gpr appropriation and develop a plan to begin charging those agencies as part of their 17-19 datcp budget request. *I will add appropriate language to the nonstats. Ok. I assume you can pretty up the language appropriately.*

(We would move gpr from sloh to agencies as needed in 17-19)

Drafter can talk to me directly if questions. I will be in later.

Sent from my U.S. Cellular® Smartphone

----- Original message -----

From: "Schwanz, Nathan E - DOA"

Date:01/17/2015 15:33 (GMT-06:00)

To: "Byrnes, Tyler - DOA"

Cc: "Frederick, Caitlin - DOA" , "Hynek, Sara - DOA"

Subject: UWSA Draft

Tyler,

Attached is the second draft of the UW authority. This draft includes changes made to the two boards being transferred to DATCP.

Here are the sections that deal with that change:

1. Section 174 on page 52.
2. Section 179 on page 53.
3. Section 180 on page 53.
4. Section 185 on page 54.
5. Section 186 on page 54.
6. Section 187 on page 55.
7. Section 189 on page 55.
8. Section 192 on page 55.
9. Section 227 on page 62.
10. Section 231 on page 63.
11. Section 392 on page 92.
12. Section 469 on page 97.
13. Section 674 on page 153.
14. Section 692 on page 157.

That should cover all the sections dealing with these two boards. Please let me know if you have any questions or if anything is missing. Thanks.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Schwanz, Nathan E - DOA <Nathan.Schwanz@wisconsin.gov>
Sent: Wednesday, January 21, 2015 1:01 PM
To: Kunkel, Mark
Subject: RE: 20.285 (1) (a)

Yes, that is a change that needs to be made. Thank you.

Nathan

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Wednesday, January 21, 2015 10:38 AM
To: Schwanz, Nathan E - DOA
Subject: 20.285 (1) (a)

Nathan:

✓ We haven't affected the text of s. 20.285 (1) (a), which reads: "The amounts in the schedule for the purpose of educational programs and related programs. The board of regents may not encumber amounts appropriated under this paragraph for groundwater research without the approval of the secretary of administration."

Should we strike the 2nd sentence? Note that the draft already repeals s. 160.50 (1m), which says: "The groundwater coordinating council shall advise the secretary of administration on the allocation of funds appropriated to the board of regents of the University of Wisconsin System under s. 20.285 (1) (a) for groundwater research."

--Mark

Kunkel, Mark

From: Kunkel, Mark
Sent: Wednesday, January 21, 2015 1:14 PM
To: 'Frederick, Caitlin - DOA'
Subject: RE: UWSA Draft

Yes, s. 94.64 (4) (a) 3. And (c) 3. should also be repealed. The P2 version already does that, so I will add the other repeals below to the next version of the bill.

From: Frederick, Caitlin - DOA [<mailto:Caitlin.Frederick@wisconsin.gov>]
Sent: Wednesday, January 21, 2015 12:15 PM
To: Kunkel, Mark
Subject: RE: UWSA Draft

Revisiting this 5 minutes later:

Should 94.64(4)(c)3. also be repealed as well as 94.64(4)(a)3. ? And both 94.64(4)(a)3. And 94.64(4)(a)2. go to 20.115 (7) (h), correct?

From: Kunkel, Mark [<mailto:Mark.Kunkel@legis.wisconsin.gov>]
Sent: Wednesday, January 21, 2015 11:26 AM
To: Frederick, Caitlin - DOA
Cc: Byrnes, Tyler - DOA; Schwanz, Nathan E - DOA; Steinmetz, Jana D - DOA; Hynek, Sara - DOA
Subject: RE: UWSA Draft

Just a quick follow-up on section 579, discussed below.

The fertilizer research council's only statutory role (set forth at s. 94.64 (8m) (b)) is to recommend research projects that are funded by surcharges on tonnage fees (s. 94.64 (4) (a) 2.) and fees paid by certain permit holders (s. 95.65 (6) (a) 3.). Those fees are appropriated to DATCP under s. 20.115 (7) (h) for DATCP to forward to the UW for research under s. 94.64 (8m) (a).

Because the council's only role involves fees for research that are being eliminated, it makes sense to eliminate the council as well. Therefore, in the next version of the draft, I will repeal all the statutes mentioned above, as well as s. 15.137 (5), which creates the council, and s. 94.64 (4) (c) 2., which references the tonnage fee surcharges.

From: Frederick, Caitlin - DOA [<mailto:Caitlin.Frederick@wisconsin.gov>]
Sent: Tuesday, January 20, 2015 4:23 PM
To: Kunkel, Mark
Cc: Byrnes, Tyler - DOA; Schwanz, Nathan E - DOA; Steinmetz, Jana D - DOA; Hynek, Sara - DOA
Subject: RE: UWSA Draft

See my comments. In color.

From: Kunkel, Mark [<mailto:Mark.Kunkel@legis.wisconsin.gov>]
Sent: Tuesday, January 20, 2015 11:45 AM
To: Frederick, Caitlin - DOA

Cc: Schwanz, Nathan E - DOA
Subject: FW: UWSA Draft

See my italicized comments below.

From: Schwanz, Nathan E - DOA [<mailto:Nathan.Schwanz@wisconsin.gov>]
Sent: Monday, January 19, 2015 9:50 AM
To: Kunkel, Mark
Subject: FW: UWSA Draft

Mark,
Here is some feedback on the state lab and vet lab changes in P2. They came from the SBO team that is inheriting these boards. Please let me know if you have any questions about these.

Nathan

From: Frederick, Caitlin - DOA
Sent: Monday, January 19, 2015 9:23 AM
To: Schwanz, Nathan E - DOA; Byrnes, Tyler - DOA
Cc: Hynek, Sara - DOA
Subject: RE: UWSA Draft

My review:

Section 185. Do we need to add money received from state agencies? *Yes. I will create a PR-S for DATCP, s. 20.115 (9) (k) "State agency services. All moneys received from other state agencies for the costs of services performed by the state laboratory of hygiene for those state agencies, to provide those services."*Ok

Section 211

Need appropriation in 20.370 (3) for charges for sloh. *Do you need an appropriation, or can DNR rely on a general program operations appropriation under current law to pay SLOH? If you need a new appropriation, do you want to specify amounts in the schedule for DNR to pay SLOH? And what is the funding source, the general fund or the conservation fund? Also, as noted below, I assume that DHS should also pay SLOH. If so, do you need a DHS appropriation for the payments, or is there a general program operations appropriation under current law that DHS can use to pay SLOH? DNR has asked for a special appropriation so the money is sheltered for this purpose. DHS will be using a general appropriation because the impact is smaller. For DNR, it should be amounts in the schedule, GPR, in a new program 3 appropriation.*

General: need debt service for vet lab. *From our conversation yesterday, it looked like you were going to check on this one. Let me know what you think. I think no drafting revisions are required.*

Section 392

Do we need to add section permitting sloh to charge state agencies? *From our conversation yesterday, I assume you want to require SLOH to charge DNR and DHS, and allow, but not require, charges for other agencies. If that is correct, I will add the following sentence to page 92, line 19: The laboratory shall charge the department of natural resources and the department of health services, and may charge any other state agency, a fee sufficient to reimburse the laboratory for the costs of providing services under this subsection. I think this works.*

Section 579

This should be repealed as no seg funds are to go to uw. Check that this decision is reflected elsewhere. Remaining funds should lapse. *Is it okay for me to do this repeal? It looks like you were going to check this first. Yes, any SEG appropriations in the UW, or SEG money that goes to the UW that may not be enumerated as such should be repealed effective with the date of the UW Authority. Any associated impacts (such as the Fertilizer Research council language in current draft, would also be repealed. I don't know that you would necessarily repeal the council, in this instance, but it would have to be reworked to reflect that they no longer receive money under ch. 94 as currently noted. Perhaps it's just repealing 94.64(8m)(a) and reworking (b). I am not familiar enough with the council and other potential sources of funds. If they have SEG funds through appropriation authority, remaining funds should lapse back to the appropriate account (ex. Environmental Fund).*

Non stat:

Asset and liabilities should transfer to datcp for sloh and vet lab. And employees. *I will add to the nonstat transfer section. In addition to assets and liabilities, I assume I should also transfer tangible personal property, including records. As for pending matters, contracts, rules, policies, or orders, there is no need to transfer them, as SLOH and vet. diagnostic lab will retain their powers and duties. Ok.*

Other non stat:

Sloh shall track services provided to state agencies under the gpr appropriation and develop a plan to begin charging those agencies as part of their 17-19 datcp budget request. *I will add appropriate language to the nonstats. Ok. I assume you can pretty up the language appropriately.*

(We would move gpr from sloh to agencies as needed in 17-19)

Drafter can talk to me directly if questions. I will be in later.

Sent from my U.S. Cellular® Smartphone

----- Original message -----

From: "Schwanz, Nathan E - DOA"

Date:01/17/2015 15:33 (GMT-06:00)

To: "Byrnes, Tyler - DOA"

Cc: "Frederick, Caitlin - DOA" , "Hynek, Sara - DOA"

Subject: UWSA Draft

Tyler,

Attached is the second draft of the UW authority. This draft includes changes made to the two boards being transferred to DATCP.

Here are the sections that deal with that change:

1. Section 174 on page 52.
2. Section 179 on page 53.
3. Section 180 on page 53.
4. Section 185 on page 54.
5. Section 186 on page 54.
6. Section 187 on page 55.
7. Section 189 on page 55.
8. Section 192 on page 55.
9. Section 227 on page 62.

10. Section 231 on page 63.
11. Section 392 on page 92.
12. Section 469 on page 97.
13. Section 674 on page 153.
14. Section 692 on page 157.

That should cover all the sections dealing with these two boards. Please let me know if you have any questions or if anything is missing. Thanks.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Shovers, Marc
Sent: Wednesday, January 21, 2015 3:00 PM
To: Kunkel, Mark
Subject: RE: Capital Projects/Building Commission

Yes, I'll call him.

From: Kunkel, Mark
Sent: Wednesday, January 21, 2015 2:24 PM
To: Shovers, Marc
Subject: FW: Capital Projects/Building Commission

FYI: can you contact Nathan?

From: Schwanz, Nathan E - DOA [<mailto:Nathan.Schwanz@wisconsin.gov>]
Sent: Wednesday, January 21, 2015 1:35 PM
To: Kunkel, Mark
Subject: Capital Projects/Building Commission

Mark,

Any chance that you and/or Marc Shovers have some time to discuss building commission and capital project aspects of the UW Authority draft? My understanding of the statutes as they currently are on these topics is limited and, as a result, I don't fully understand the changes in the draft. I don't think the draft quite gets us to where we want to be and I think discussing it on the phone instead of via email would be easier.

I don't have much on the calendar at this point, so you can pick the time.

Thanks.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Shovers, Marc
Sent: Wednesday, January 21, 2015 3:02 PM
To: Schwanz, Nathan E - DOA
Cc: Kunkel, Mark
Subject: Building Commission, Authority, etc.

Hi Nathan:

I just saw the email you sent to Mark asking that he or I give you a call. Why don't I call in about 1/2 hour or so. Maybe you'll have a chance to read the email I just sent you. I don't have a lot of experience in this area, but I'm happy to discuss the bill and current law with you. Thanks.

Marc

Marc Shovers
Senior Legislative Attorney
Legislative Reference Bureau
608-266-0129
marc.shovers@legis.wisconsin.gov

Kunkel, Mark

From: Schwanz, Nathan E - DOA <Nathan.Schwanz@wisconsin.gov>
Sent: Thursday, January 22, 2015 11:50 AM
To: Shovers, Marc
Cc: Kunkel, Mark; Hynek, Sara - DOA
Subject: RE: UW and the Building Commission, LRB -0971/P2

Marc,

Thank you for taking time to chat with me about the Building Commission and Capital Projects process and the changes we would like to make in respect to the UW Authority.

As promised, here is the summary of how we would like the UW Authority to be treated in relation to the Building Commission and Capital Projects. Mark K., I think item number 4 deals with sections you have drafted as it deals with the lease agreement. Please let me know if you have any questions about this.

1. Processes for GPR funded projects will remain as they are now.
2. Projects funded with gifts and grants will be entirely exempt from the Building Commission and state processes regardless of project cost.
 - a. The authority will issue bonds, if necessary, on its own.
3. Projects funded with tuition, fees and auxiliary revenues (formerly PR) will be exempt from the Building Commission and state processes regardless of project cost, *except* that projects with a cost of \$760,000 or more will be required to go through DOA for *only* the bidding process.
 - a. We need to determine how we refer to the PR funds. I don't know if tuition, fees and auxiliary revenues is sufficient reference to these funds. Mark K., what are your thoughts on this?
 - b. DOA will conduct the bid letting and select the lowest, qualified bid and then the UW Authority will assume complete control of the project. DOA conducting the bidding process should not inhibit the UW Authority's ability to conduct all other aspects of the project.
 - c. The authority will issue bonds, if necessary, on its own.
4. Renovations or projects to state-owned facilities or on state-owned land need to be approved by the Building Commission if the cost of the project is more than \$760,000. This impacts paragraph 4 of Section 347 in P2.
 - a. These projects should only need Building Commission approval. If it is funded with GPR, then it will need to follow point #1 above. If the project is funded with gifts and grants or tuition, fee and auxiliary (PR) revenues, points #2 and 3, respectively, should be followed.
 - i. No legislative approval should be needed for these projects.

Again, thank you for your help with this and please do not hesitate to contact me if you have any questions.

Nathan

From: Shovers, Marc [mailto:Marc.Shovers@legis.wisconsin.gov]
Sent: Wednesday, January 21, 2015 3:00 PM
To: Schwanz, Nathan E - DOA
Cc: Kunkel, Mark - LEGIS
Subject: UW and the Building Commission, LRB -0971/P2

Hi Nathan:

You have asked about UW's current relationship with the building commission and how the draft will affect that relationship. As I understand it, this is the situation under current law. Generally under current law, the building commission oversees the state building program which applies to facilities required for state agencies, including educational institutions. See. s. 13.48 (1).

The UW System may not accept any gift, grant, or bequest of real property with a value in excess of \$150,000 or any similar transfer of a building or structure that's built to benefit the system, without the approval of the building commission. See s. 13.48 (2) (b) 1m.

Generally, if the UW System contemplates a project under the state building program, it must report the project to the building commission. The building commission must make formal recommendations (on a biennial basis) to DOA for the state's long-range building program and the building commission must also issue a report on the state's long-range building program. The building commission's recommendations must get legislative approval to go into effect. See s. 13.48 (4), (6), and (7). Also under current law, the UW System may not enter into a construction/reconstruction/remodeling contract worth more than \$185,000 without prior approval of the building commission, which must also supervise construction (see s. 13.48 (10)), although this general provision does not apply to any contract for a building project that's worth less than \$500,000 that is funded entirely by gifts and grants to the UW System. See s. 13.48 (10) (c).

Among other changes, the bill, LRB -0971/P2, repeals s. 13.48 (10) (c), so the limitations in that paragraph do not apply to contracts involving funding from gifts or grants of any amount. See bill sections 14 and 15, which amend s. 13.48 (10) (a) and (c). The bill also requires the Authority to report any project it is thinking about under the state building program to the building commission, and requires the building commission to make recommendations for projects to DOA, which is the same as current law. See bill sections 11, 12, and 13, which amend s. 13.48 (4), (6), and (7).

So with a couple of minor exceptions, the bill does not make many changes to the relationship the Authority will have with the Building Commission.

On a related matter, DOA is required to furnish engineering, architectural, project management and other building construction management services at the request of a state agency, which includes the UW System. See s. 16.85 (2) (b). Under the bill, however, this statute does not apply to the Authority. See bill section 127, which amends s. 16.85 (2). DOA is however still required to review and approve plans and specifications for buildings constructed to benefit the Authority, and review the progress of construction. See bill section 128, which amends s. 16.85 (12). Under the bill, DOA is also required to review and approve the bidding process for certain projects that cost at least \$100,000. See bill section 128, which amends s. 16.85 (12).

I hope this addresses your questions. Please let me know if you have any other concerns about this issue.

Marc

Marc Shovers
Senior Legislative Attorney
Legislative Reference Bureau
608-266-0129
marc.shovers@legis.wisconsin.gov

Kunkel, Mark

From: Schwanz, Nathan E - DOA <Nathan.Schwanz@wisconsin.gov>
Sent: Thursday, January 22, 2015 4:13 PM
To: Kunkel, Mark
Subject: RE: UW and the Building Commission, LRB -0971/P2

That's correct. I will let you know when we are ready for that. Thank you!

Nathan

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Thursday, January 22, 2015 3:25 PM
To: Schwanz, Nathan E - DOA
Subject: RE: UW and the Building Commission, LRB -0971/P2

We will incorporate the changes below in the P3, but we won't create the P3 until we get your go ahead, as there may be more changes coming, right?

From: Schwanz, Nathan E - DOA [mailto:Nathan.Schwanz@wisconsin.gov]
Sent: Thursday, January 22, 2015 11:50 AM
To: Shovers, Marc
Cc: Kunkel, Mark; Hynek, Sara - DOA
Subject: RE: UW and the Building Commission, LRB -0971/P2

Marc,

Thank you for taking time to chat with me about the Building Commission and Capital Projects process and the changes we would like to make in respect to the UW Authority.

As promised, here is the summary of how we would like the UW Authority to be treated in relation to the Building Commission and Capital Projects. Mark K., I think item number 4 deals with sections you have drafted as it deals with the lease agreement. Please let me know if you have any questions about this.

1. Processes for GPR funded projects will remain as they are now.
2. Projects funded with gifts and grants will be entirely exempt from the Building Commission and state processes regardless of project cost.
 - a. The authority will issue bonds, if necessary, on its own.
3. Projects funded with tuition, fees and auxiliary revenues (formerly PR) will be exempt from the Building Commission and state processes regardless of project cost, *except* that projects with a cost of \$760,000 or more will be required to go through DOA for *only* the bidding process.
 - a. We need to determine how we refer to the PR funds. I don't know if tuition, fees and auxiliary revenues is sufficient reference to these funds. Mark K., what are your thoughts on this?
 - b. DOA will conduct the bid letting and select the lowest, qualified bid and then the UW Authority will assume complete control of the project. DOA conducting the bidding process should not inhibit the UW Authority's ability to conduct all other aspects of the project.
 - c. The authority will issue bonds, if necessary, on its own.
4. Renovations or projects to state-owned facilities or on state-owned land need to be approved by the Building Commission if the cost of the project is more than \$760,000. This impacts paragraph 4 of Section 347 in P2.
 - a. These projects should only need Building Commission approval. If it is funded with GPR, then it will need to follow point #1 above. If the project is funded with gifts and grants or tuition, fee and auxiliary (PR) revenues, points #2 and 3, respectively, should be followed.

- i. No legislative approval should be needed for these projects.

Again, thank you for your help with this and please do not hesitate to contact me if you have any questions.

Nathan

From: Shovers, Marc [<mailto:Marc.Shovers@legis.wisconsin.gov>]
Sent: Wednesday, January 21, 2015 3:00 PM
To: Schwanz, Nathan E - DOA
Cc: Kunkel, Mark - LEGIS
Subject: UW and the Building Commission, LRB -0971/P2

Hi Nathan:

You have asked about UW's current relationship with the building commission and how the draft will affect that relationship. As I understand it, this is the situation under current law. Generally under current law, the building commission oversees the state building program which applies to facilities required for state agencies, including educational institutions. See s. 13.48 (1).

The UW System may not accept any gift, grant, or bequest of real property with a value in excess of \$150,000 or any similar transfer of a building or structure that's built to benefit the system, without the approval of the building commission. See s. 13.48 (2) (b) 1m.

Generally, if the UW System contemplates a project under the state building program, it must report the project to the building commission. The building commission must make formal recommendations (on a biennial basis) to DOA for the state's long-range building program and the building commission must also issue a report on the state's long-range building program. The building commission's recommendations must get legislative approval to go into effect. See s. 13.48 (4), (6), and (7). Also under current law, the UW System may not enter into a construction/reconstruction/remodeling contract worth more than \$185,000 without prior approval of the building commission, which must also supervise construction (see s. 13.48 (10)), although this general provision does not apply to any contract for a building project that's worth less than \$500,000 that is funded entirely by gifts and grants to the UW System. See s. 13.48 (10) (c).

Among other changes, the bill, LRB -0971/P2, repeals s. 13.48 (10) (c), so the limitations in that paragraph do not apply to contracts involving funding from gifts or grants of any amount. See bill sections 14 and 15, which amend s. 13.48 (10) (a) and (c). The bill also requires the Authority to report any project it is thinking about under the state building program to the building commission, and requires the building commission to make recommendations for projects to DOA, which is the same as current law. See bill sections 11, 12, and 13, which amend s. 13.48 (4), (6), and (7).

So with a couple of minor exceptions, the bill does not make many changes to the relationship the Authority will have with the Building Commission.

On a related matter, DOA is required to furnish engineering, architectural, project management and other building construction management services at the request of a state agency, which includes the UW System. See s. 16.85 (2) (b). Under the bill, however, this statute does not apply to the Authority. See bill section 127, which amends s. 16.85 (2). DOA is however still required to review and approve plans and specifications for buildings constructed to benefit the Authority, and review the progress of construction. See bill section 128, which amends s. 16.85 (12). Under the bill, DOA

is also required to review and approve the bidding process for certain projects that cost at least \$100,000. See bill section 128, which amends s. 16.85 (12).

I hope this addresses your questions. Please let me know if you have any other concerns about this issue.

Marc

Marc Shovers
Senior Legislative Attorney
Legislative Reference Bureau
608-266-0129
marc.shovers@legis.wisconsin.gov

Shovers, Marc

From: Schwanz, Nathan E - DOA <Nathan.Schwanz@wisconsin.gov>
Sent: Thursday, January 22, 2015 4:34 PM
To: Shovers, Marc
Cc: Kunkel, Mark; Hynek, Sara - DOA
Subject: RE: UW and the Building Commission, LRB -0971/P2

Marc,
Something I forgot to mention about this, in relation to item #3, we do not want DOA to be able to charge UW for conducting the bidding process.

Nathan

From: Schwanz, Nathan E - DOA
Sent: Thursday, January 22, 2015 11:50 AM
To: Shovers, Marc - LEGIS
Cc: Kunkel, Mark - LEGIS; Hynek, Sara - DOA
Subject: RE: UW and the Building Commission, LRB -0971/P2

Marc,
Thank you for taking time to chat with me about the Building Commission and Capital Projects process and the changes we would like to make in respect to the UW Authority.

As promised, here is the summary of how we would like the UW Authority to be treated in relation to the Building Commission and Capital Projects. Mark K., I think item number 4 deals with sections you have drafted as it deals with the lease agreement. Please let me know if you have any questions about this.

1. Processes for GPR funded projects will remain as they are now.
2. Projects funded with gifts and grants will be entirely exempt from the Building Commission and state processes regardless of project cost.
 - a. The authority will issue bonds, if necessary, on its own. — MDK²
3. Projects funded with tuition, fees and auxiliary revenues (formerly PR) will be exempt from the Building Commission and state processes regardless of project cost, *except* that projects with a cost of \$760,000 or more will be required to go through DOA for *only* the bidding process.
 - a. We need to determine how we refer to the PR funds. I don't know if tuition, fees and auxiliary revenues is sufficient reference to these funds. Mark K., what are your thoughts on this?
 - b. DOA will conduct the bid letting and select the lowest, qualified bid and then the UW Authority will assume complete control of the project. DOA conducting the bidding process should not inhibit the UW Authority's ability to conduct all other aspects of the project.
 - c. The authority will issue bonds, if necessary, on its own. — MDK²
4. Renovations or projects to state-owned facilities or on state-owned land need to be approved by the Building Commission if the cost of the project is more than \$760,000. This impacts paragraph 4 of Section 347 in P2.
 - a. These projects should only need Building Commission approval. If it is funded with GPR, then it will need to follow point #1 above. If the project is funded with gifts and grants or tuition, fee and auxiliary (PR) revenues, points #2 and 3, respectively, should be followed.
 - i. No legislative approval should be needed for these projects.

Again, thank you for your help with this and please do not hesitate to contact me if you have any questions.

Nathan

see my changes

Kunkel, Mark

From: Kreye, Joseph
Sent: Friday, January 23, 2015 11:51 AM
To: Kunkel, Mark
Subject: RE: Changes for P3

I'm on it. Sort of.

From: Kunkel, Mark
Sent: Friday, January 23, 2015 11:27 AM
To: Champagne, Rick; Hanaman, Cathlene; Kreye, Joseph; Dodge, Tamara
Cc: Gary, Aaron
Subject: FW: Changes for P3

Rick, can you look at items 1 and 2? Also, item 3 looks straightforward, but what are pension obligation bonds? I can do item 3, if you clarify for me what those are. → RAC dropped language for item 3.

Cathlene, can you look at item 5, which involves procurement?

Joe, item 7 involves sales tax. Help.

Tami, for item 17, Nathan wants to say that, in each fiscal year, the Board of Regents must make a payment of **no more than** \$30,338,500 to the secretary of administration for deposit into the medical assistance trust fund. He says that is consistent with current policy, but zero is no more than \$30,338,500, so something doesn't seem right. *RAC noted that 16529(d) requires lapses, so no language necessary on that point. -MDK*

--Mark

From: Schwanz, Nathan E - DOA [<mailto:Nathan.Schwanz@wisconsin.gov>]
Sent: Friday, January 23, 2015 10:54 AM
To: Kunkel, Mark
Cc: Hynek, Sara - DOA
Subject: Changes for P3

Mark,

Here is some more feedback and direction on the UW authority draft. Please wait on finalizing P3 as we may have some more to add to this.

1. Section 442: We would like the requirement for the UW to rollover unused sick leave from year to year to be removed. We think letting the UW determine this in their employment policies is consistent with the overall direction of the authority.
2. Do we need explicit language allowing the Board to issue bonds? I think this probably needs to be added to ch. 36.
3. We want the authority to receive the GPR block grant (20.285(1)(a)) in quarterly payments, similar to WEDC. We would also like a provision that allows the state to withhold payments in the event that the authority does not

make any payments to the state, whether they are payments for the lease agreement, municipal services, pension obligation bonds, or any other services provided by the state to the UW.

4. In Section 143, we would like to maintain the reference to the Board of Regents. My understanding is that DOA works closely with the state cartographer on some initiatives and DOA would like to maintain the ability to work with the Board of Regents on land information projects.
5. We would like to include the authority in the definition of a municipality in 16.70(8). The intent of this is to require DOA approval prior to any state agency leaving DOA to use UW contracts for purchasing.
6. We would like to change the GPR block grant (20.285(1)(a)) to a biennial appropriation for the 15-17 biennium only.
7. Beginning in FY18, we would like the GPR block grant (20.285(1)(a)) to be funded with designated revenue from the state sales tax. The amount designated from the state sales tax should be \$753,533,000 annually. Additionally, beginning in FY19, we would like the UW to receive a base-building bonus every year based on the most recent year's change in the CPI.
 - a. For example, beginning in FY19, the UW will have \$753,533,000 designated from the sales tax for the GPR block grant. If CPI grew by 2%, the GPR block grant would increase by \$15,070,660. The bonus or add-on should be recalculated every fiscal year and will be base building. The bonus will not only give the UW additional GPR, it may also reduce its block grant. For example, if CPI shrank by 1%, the change would be a 1% reduction to UW's GPR block grant. Like any increases, reductions will also be base building.
8. We would like the MN/WI student reciprocity program to transfer to the UW authority in FY17 when the UW becomes an authority. I think this impacts Sections 502-506 and 175 as well as Section 716.
9. Section 316: At this point, we do not want to define what constitutes property that is subject to the authority's jurisdiction.
10. We would like tuition for WI resident undergraduate students to be frozen for the 15-17 biennium. Is this done in the nonstat language?
11. Section 169: We would like "the University of Wisconsin Colleges, and the University of Wisconsin-Extension." removed, unless they are necessary to keep in.
12. Section 281: In paragraph 4, we need to have language added clarifying the that terms of the student members of the board are 2-year terms.
13. Section 281: In paragraph 4, subparagraph (5), where did the requirement for 11 members to have a quorum come from? The UW would like it to be 10 instead of 11.
14. Section 289: We would like the phrase "and the University of Wisconsin Colleges" added back to 36.05(9).
15. Section 300: We would like the reference to making a reasonable effort to provide night classes to be removed from the statutes.
16. Section 330: We would like to keep 36.11(9) in the statutes.
17. Section 373: The phrase "no more than" needs to be added immediately before the dollar amount. This is consistent with current policy and the fact that the UW may not need to transfer the full amount to the trust fund.
18. Section 716: The UW would like language added clarifying that they are not responsible for FY15 payments related the MN/WI student reciprocity program. What are your thoughts on that? Some payments may be made after the end of FY15 so it might be worth clarifying that the UW would not be responsible for those payments.

Let me know if you have any questions about these items.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

Kunkel, Mark

From: Schwanz, Nathan E - DOA <Nathan.Schwanz@wisconsin.gov>
Sent: Friday, January 23, 2015 12:50 PM
To: Kunkel, Mark
Cc: Gary, Aaron; Hynek, Sara - DOA
Subject: RE: Changes for P3

Mark,

The 15-17 biennium covers FY16 and FY17. I think we want the tuition freeze to apply to the 2015-16 and 2016-17 academic years. Is that correct Sara?

We are waiting to hear back from DOA legal regarding their thoughts on the draft and related items. Sovereign immunity is one of the items they are looking at. I don't know if it will be the changes you sent me or if they will have more. I will let you know when I hear back from them.

Regarding the liquor sales, we do not want to make any changes to address this in the draft.

Thanks.

Nathan

From: Kunkel, Mark [mailto:Mark.Kunkel@legis.wisconsin.gov]
Sent: Friday, January 23, 2015 11:40 AM
To: Schwanz, Nathan E - DOA
Cc: Gary, Aaron - LEGIS
Subject: RE: Changes for P3

Nathan,

Regarding item 10, the last budget act had a nonstat that froze resident undergrad tuition in the 2013-14 and 2014-15 academic years. You want to change time period to the 15-17 fiscal biennium? Or do you want refer to academic years? Also, a dumb question, but can you clarify when the 15-17 fiscal biennium starts and ends? The LRB sometimes uses different shorthand than DOA, and I just want to make sure we are on the same page.

As for placement, because the freeze is short term, I'd put it in a nonstat.

We'll work on the rest of the items and contact you if we have questions.

Do you think you'll be adding changes based on the sovereign immunity email I sent you? Also, Aaron Gary raised a related point regarding liquor sales.

--Mark

From: Schwanz, Nathan E - DOA [mailto:Nathan.Schwanz@wisconsin.gov]
Sent: Friday, January 23, 2015 10:54 AM
To: Kunkel, Mark
Cc: Hynek, Sara - DOA
Subject: Changes for P3

Mark,

Here is some more feedback and direction on the UW authority draft. Please wait on finalizing P3 as we may have some more to add to this.

1. Section 442: We would like the requirement for the UW to rollover unused sick leave from year to year to be removed. We think letting the UW determine this in their employment policies is consistent with the overall direction of the authority.
2. Do we need explicit language allowing the Board to issue bonds? I think this probably needs to be added to ch. 36.
3. We want the authority to receive the GPR block grant (20.285(1)(a)) in quarterly payments, similar to WEDC. We would also like a provision that allows the state to withhold payments in the event that the authority does not make any payments to the state, whether they are payments for the lease agreement, municipal services, pension obligation bonds, or any other services provided by the state to the UW.
4. In Section 143, we would like to maintain the reference to the Board of Regents. My understanding is that DOA works closely with the state cartographer on some initiatives and DOA would like to maintain the ability to work with the Board of Regents on land information projects.
5. We would like to include the authority in the definition of a municipality in 16.70(8). The intent of this is to require DOA approval prior to any state agency leaving DOA to use UW contracts for purchasing.
6. We would like to change the GPR block grant (20.285(1)(a)) to a biennial appropriation for the 15-17 biennium only.
7. Beginning in FY18, we would like the GPR block grant (20.285(1)(a)) to be funded with designated revenue from the state sales tax. The amount designated from the state sales tax should be \$753,533,000 annually. Additionally, beginning in FY19, we would like the UW to receive a base-building bonus every year based on the most recent year's change in the CPI.
 - a. For example, beginning in FY19, the UW will have \$753,533,000 designated from the sales tax for the GPR block grant. If CPI grew by 2%, the GPR block grant would increase by \$15,070,660. The bonus or add-on should be recalculated every fiscal year and will be base building. The bonus will not only give the UW additional GPR, it may also reduce its block grant. For example, if CPI shrank by 1%, the change would be a 1% reduction to UW's GPR block grant. Like any increases, reductions will also be base building.
8. We would like the MN/WI student reciprocity program to transfer to the UW authority in FY17 when the UW becomes an authority. I think this impacts Sections 502-506 and 175 as well as Section 716.
9. Section 316: At this point, we do not want to define what constitutes property that is subject to the authority's jurisdiction.
10. We would like tuition for WI resident undergraduate students to be frozen for the 15-17 biennium. Is this done in the nonstat language?
11. Section 169: We would like "the University of Wisconsin Colleges, and the University of Wisconsin-Extension." removed, unless they are necessary to keep in.
12. Section 281: In paragraph 4, we need to have language added clarifying the that terms of the student members of the board are 2-year terms.
13. Section 281: In paragraph 4, subparagraph (5), where did the requirement for 11 members to have a quorum come from? The UW would like it to be 10 instead of 11.
14. Section 289: We would like the phrase "and the University of Wisconsin Colleges" added back to 36.05(9).
15. Section 300: We would like the reference to making a reasonable effort to provide night classes to be removed from the statutes.
16. Section 330: We would like to keep 36.11(9) in the statutes.
17. Section 373: The phrase "no more than" needs to be added immediately before the dollar amount. This is consistent with current policy and the fact that the UW may not need to transfer the full amount to the trust fund.
18. Section 716: The UW would like language added clarifying that they are not responsible for FY15 payments related the MN/WI student reciprocity program. What are your thoughts on that? Some payments may be made after the end of FY15 so it might be worth clarifying that the UW would not be responsible for those payments.

Let me know if you have any questions about these items.

Nathan Schwanz

Executive Policy & Budget Analyst

State Budget Office

608-266-2843

Kunkel, Mark

From: Hynek, Sara - DOA <Sara.Hynek@wisconsin.gov>
Sent: Friday, January 23, 2015 1:10 PM
To: Schwanz, Nathan E - DOA; Kunkel, Mark
Cc: Gary, Aaron
Subject: RE: Changes for P3

Yes, I think that is correct.

From: Schwanz, Nathan E - DOA
Sent: Friday, January 23, 2015 12:50 PM
To: Kunkel, Mark - LEGIS
Cc: Gary, Aaron - LEGIS; Hynek, Sara - DOA
Subject: RE: Changes for P3

Mark,

The 15-17 biennium covers FY16 and FY17. I think we want the tuition freeze to apply to the 2015-16 and 2016-17 academic years. Is that correct Sara?

We are waiting to hear back from DOA legal regarding their thoughts on the draft and related items. Sovereign immunity is one of the items they are looking at. I don't know if it will be the changes you sent me or if they will have more. I will let you know when I hear back from them.

Regarding the liquor sales, we do not want to make any changes to address this in the draft.

Thanks.

Nathan

From: Kunkel, Mark [<mailto:Mark.Kunkel@legis.wisconsin.gov>]
Sent: Friday, January 23, 2015 11:40 AM
To: Schwanz, Nathan E - DOA
Cc: Gary, Aaron - LEGIS
Subject: RE: Changes for P3

Nathan,

Regarding item 10, the last budget act had a nonstat that froze resident undergrad tuition in the 2013-14 and 2014-15 academic years. You want to change time period to the 15-17 fiscal biennium? Or do you want refer to academic years? Also, a dumb question, but can you clarify when the 15-17 fiscal biennium starts and ends? The LRB sometimes uses different shorthand than DOA, and I just want to make sure we are on the same page.

As for placement, because the freeze is short term, I'd put it in a nonstat.

We'll work on the rest of the items and contact you if we have questions.

Do you think you'll be adding changes based on the sovereign immunity email I sent you? Also, Aaron Gary raised a related point regarding liquor sales.

--Mark

From: Schwanz, Nathan E - DOA [mailto:Nathan.Schwanz@wisconsin.gov]
Sent: Friday, January 23, 2015 10:54 AM
To: Kunkel, Mark
Cc: Hynek, Sara - DOA
Subject: Changes for P3

make under Employer
with school
2/10/15

Mark,
Here is some more feedback and direction on the UW authority draft. Please wait on finalizing P3 as we may have some more to add to this.

1. Section 442: We would like the requirement for the UW to rollover unused sick leave from year to year to be removed. We think letting the UW determine this in their employment policies is consistent with the overall direction of the authority. *see striking on 95-12 § 95.13*
2. Do we need explicit language allowing the Board to issue bonds? I think this probably needs to be added to ch. 36. *INSERT 84-13*
3. We want the authority to receive the GPR block grant (20.285(1)(a)) in quarterly payments, similar to WEDC. We would also like a provision that allows the state to withhold payments in the event that the authority does not make any payments to the state, whether they are payments for the lease agreement, municipal services, pension obligation bonds, or any other services provided by the state to the UW. *INSERT 16-19*
4. In Section 143, we would like to maintain the reference to the Board of Regents. My understanding is that DOA works closely with the state cartographer on some initiatives and DOA would like to maintain the ability to work with the Board of Regents on land information projects. *change ref to authority*
5. We would like to include the authority in the definition of a municipality in 16.70(8). The intent of this is to require DOA approval prior to any state agency leaving DOA to use UW contracts for purchasing.
6. We would like to change the GPR block grant (20.285(1)(a)) to a biennial appropriation for the 15-17 biennium only. *17-18 - see INSERT 53-13 AND 125-4 FY16 FY17*
7. Beginning in FY18, we would like the GPR block grant (20.285(1)(a)) to be funded with designated revenue from the state sales tax. The amount designated from the state sales tax should be \$753,533,000 annually. Additionally, beginning in FY19, we would like the UW to receive a base-building bonus every year based on the most recent year's change in the CPI.
 - a. For example, beginning in FY19, the UW will have \$753,533,000 designated from the sales tax for the GPR block grant. If CPI grew by 2%, the GPR block grant would increase by \$15,070,660. The bonus or add-on should be recalculated every fiscal year and will be base building. The bonus will not only give the UW additional GPR, it may also reduce its block grant. For example, if CPI shrank by 1%, the change would be a 1% reduction to UW's GPR block grant. Like any increases, reductions will also be base building.
8. We would like the MN/WI student reciprocity program to transfer to the UW authority in FY17 when the UW becomes an authority. I think this impacts Sections 502-506 and 175 as well as Section 716.
9. Section 316: At this point, we do not want to define what constitutes property that is subject to the authority's jurisdiction. *314 deleted note*
10. We would like tuition for WI resident undergraduate students to be frozen for the 15-17 biennium. Is this done in the nonstat language? *see NONSTAT sect subsec (5)*
11. Section 169: We would like "the University of Wisconsin Colleges, and the University of Wisconsin-Extension." removed, unless they are necessary to keep in. *see change NOTE: no longer subject to s. 19.45 (ethics)*
12. Section 281: In paragraph 4, we need to have language added clarifying the that terms of the student members of the board are 2-year terms. *76-12 change*
13. Section 281: In paragraph 4, subparagraph (5), where did the requirement for 11 members to have a quorum come from? The UW would like it to be 10 instead of 11. *see change 77-13*
14. Section 289: We would like the phrase "and the University of Wisconsin Colleges" added back to 36.05(9). *section 286 deleted*
15. Section 300: We would like the reference to making a reasonable effort to provide night classes to be removed from the statutes. *see 6-16*
16. Section 330: We would like to keep 36.11(9) in the statutes.

need to add something
32.02?
-NO- see 32.02(1)
at section 269

17. Section 373: The phrase "no more than" needs to be added immediately before the dollar amount. This is consistent with current policy and the fact that the UW may not need to transfer the full amount to the trust fund.
18. Section 716: The UW would like language added clarifying that they are not responsible for FY15 payments related the MN/WI student reciprocity program. What are your thoughts on that? Some payments may be made after the end of FY15 so it might be worth clarifying that the UW would not be responsible for those payments.

Let me know if you have any questions about these items.

Nathan Schwanz
Executive Policy & Budget Analyst
State Budget Office
608-266-2843

See
non stat
contracts, agreements
transfer