



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #104

Restoration of Power Plant and Wastewater Treatment Facility Positions (DOA, Corrections, DHFS, DPI, DVA, and UW System)

Bill Agency

[LFB 2007-09 Budget Summary: Pages 25, #14; 104, #5; 231, #1; 339, #7; 479, #20; 572, #6; and 589, #13]

CURRENT LAW

State agencies currently operate various power producing facilities and waste water treatment facilities. Under 2005 Wisconsin Act 25, 270.92 FTE (all funds) related to the operation of these facilities would have been deleted, effective April 1, 2007. 2007 Wisconsin Act 5 restored these positions on an ongoing basis.

GOVERNOR

Authorize 270.92 full-time equivalent (FTE) positions, including 176.67 GPR and 94.25 PR positions as follows:

Full-Time Employee Restoration

<u>Agency</u>	<u>Number FTE</u>	<u>Funding Source</u>
Administration	23.25	PR
Corrections	20.25	GPR
	19.00	PR
	5.00	PR
Health and Family Services	33.00	PR
	8.00	PR
Public Instruction	10.00	GPR
Veterans Affairs	6.00	PR
UW System	<u>146.42</u>	GPR
Total	176.67	GPR
	<u>94.25</u>	PR
	270.92	All Funds

Under the Governor's recommendation, funding of \$2,572,400 PR annually for 41.0 PR positions in DHFS is removed as part of a standard budget adjustment ("full funding of salaries and fringe benefits"), but restored under a separate decision item. There is no net effect to the total funding of these positions and the Governor's bill would effectively restore position authority.

MODIFICATION

Delete the Governor's recommendations for 270.92 (all funds) power plant and wastewater treatment facility positions.

Explanation: As passed by the Legislature, the 2005-07 biennial budget bill [2005 Assembly Bill 100] would have required DOA to undertake one of the following actions by April 1, 2007, with respect to each state-owned power plant and wastewater treatment facility: (a) sell the plant or facility; or (b) contract with a private entity for the operation of the plant or facility.

On April 1, 2007, 2005 Assembly Bill 100 would have deleted 270.92 FTE permanent power plant and wastewater treatment facility operator and supervisory positions in six state agencies and would have directed DOA to transfer the remaining budgeted salary and fringe benefit funding for these positions in 2006-07 to unallotted reserve to support agency costs relating to the provision of utility services after that date.

Assembly Bill 100 would have also: (a) specified the manner by which outstanding bonded indebtedness would be retired in the event of the sale of any of the plants or facilities with such debt; (b) exempted the sale of a state-owned plant or facility to a regulated utility from any review or approval by the Public Service Commission; (c) required any power plant or waste water treatment facility operating contract with a private vendor to include a provision offering employment to the former state employees of those affected plants and facilities; and (d) deleted a variety of statutory provisions related to DOA's supervision of the operation of the state's power plants and wastewater treatment facilities.

The Governor item vetoed all of the proposed statutory modifications in 2005 Assembly Bill 100 intended to require the sale or contracting out of the state's power plant and wastewater treatment facility operations. However, a reversal of the deletion of the 270.92 FTE state agency positions on April 1, 2007, could not be effected through the exercise of the Governor's veto authority.

Under 2007 Wisconsin Act 5, the Legislature approved the restoration of 270.92 positions. Therefore, restoration of the positions in SB 40 should be deleted.

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