

## Eighty-Ninth Regular Session

WEDNESDAY, October 10, 1990

The chief clerk makes the following entries under the above date.

### PETITIONS AND COMMUNICATIONS

State of Wisconsin  
Department of Public Instruction

September 28, 1990

To the Honorable the Legislature:

Enclosed please find a "Study of Specialized Physical Health Care Services in Wisconsin Schools". This study has been conducted by the Department of Public Instruction in response to 1989 Wisconsin Act 82.

If you have questions regarding this study, please feel free to contact me or my staff.

Sincerely,  
HERBERT J. GROVER  
State Superintendent

State of Wisconsin  
Department of Employment Relations

September 28, 1990

To the Honorable the Legislature:

Pursuant to s. 230.04(13)(e), Wis. Stats., I am pleased to submit the 1990-91 report regarding employment of recipients of aid to families with dependent children (AFDC). This report includes: 1) a description of agency efforts to employ aid recipients, and 2) the number of persons receiving aid under s. 49.19 who were employed by each agency and the job title or classification of each position filled from July 1, 1989 through June 30, 1990.

Please contact me if you have questions or need additional information regarding this report.

Sincerely,  
CONSTANCE P. BECK  
Secretary

State of Wisconsin  
Department of Natural Resources

October 4, 1990

To the Honorable the Legislature:

Attached is "A feasibility Study - for the Rock River". This report is intended to satisfy the mandate given the Department of Natural Resources in Section 3040(12g) of Act 31.

While this report was due July 1, submission was delayed until now with the blessing of Representative Judith Robson (author of legislation).

Any questions on the content of the plan should be directed to the author, David Aslakson, at our Southern District Headquarters, phone 608/275-3251.

Sincerely,  
C. D. BESADNY  
Secretary

State of Wisconsin  
Department of Development

October 1, 1990

To the Honorable the Legislature:

The Department of Development is required to provide the Legislature with an annual report describing the job generation and marketing activities of Forward Wisconsin, Inc. The 1989-90 report, covering the period July 1, 1989 to June 30, 1990 is attached. A Summary memo from Forward Wisconsin's President Dennis Blang is also attached.

As Vice Chairperson of Forward Wisconsin, I feel the organization has made good progress in improving its efficiency and coordinating the state's economic development marketing activities. Forward Wisconsin and the Department of Development are working hand-in-hand to attract new business and help existing firms grow. The Attached report outlines that cooperative effort.

As you know, the \$500,000 in state funding we provide to Forward Wisconsin is matched dollar-for-dollar with private contributions. I believe those dollars are being used judiciously to help maintain and expand the state's economy. Copies of Forward Wisconsin's year-end financial audit are available by calling 256-4567.

Sincerely,  
ROBERT N. TRUNZO  
Secretary

State of Wisconsin  
Governor's Nursing Education  
Coordinating Council

October 1, 1990

To the Honorable, the Senate:

I am pleased to present the annual report of the Governor's Nursing Education coordinating Council, in keeping with Executive Order #57. This report describes the progress made regarding transfer of credit between associate degree nursing programs and baccalaureate degree nursing programs in the state of Wisconsin, in establishing an expanded data base on registered nurse educational mobility, and in disseminating information on nursing educational mobility. The report consists of a main narrative section and two subcommittee reports (Appendices I and II).

Sincerely,  
- ALBERT J. BEAVER  
Chair

State of Wisconsin  
Legislative Audit Bureau

September 28, 1990

To the Honorable the Legislature:

We have completed a financial audit of the State of Wisconsin Department of Veterans Affairs 1980 Series A Mortgage Revenue Bond Program for the period July 1,

1989, through June 30, 1990. The audit was requested by the Wisconsin Department of Veterans Affairs to fulfill the annual audit requirement under Indenture Trust for the bond issue.

Our audit report contains the financial statements, related independent auditor's report, report on internal control structure, and compliance report. We were able to express an unqualified opinion on the financial statements. We found the bond program has met the requirements of the Indenture Trust and the Wisconsin Statutes.

We appreciate the courtesy and cooperation extended to us by the Department of Veterans Affairs staff during this audit.

Sincerely,  
DALE CATTANACH  
State Auditor

State of Wisconsin  
Legislative Audit Bureau

September 28, 1990

To the Honorable the Legislature:

We have completed a financial audit of the State of Wisconsin Department of Veterans Affairs 1981 Mortgage Revenue Bond Program for the period July 1, 1989, through June 30, 1990. The audit was requested by the Wisconsin Department of Veterans Affairs to fulfill the annual audit requirement under the Bond Resolution for the bond issue.

Our audit report contains the financial statements, related independent auditor's report, report on internal control structure, and compliance report. We were able to express an unqualified opinion on the financial statements. We found the bond program has met the requirements of the Bond Resolution and the Wisconsin Statutes.

We appreciate the courtesy and cooperation extended to us by the Department of Veterans Affairs staff during this audit.

Sincerely,  
DALE CATTANACH  
State Auditor

State of Wisconsin  
Legislative Audit Bureau

October 4, 1990

To the Honorable the Legislature:

We have completed an evaluation of sales tax collection procedures used by the Departments of Revenue, Transportation, and Natural Resources to ensure accurate sales tax collection for motor vehicles sold by private individuals and at auctions. We estimated that in 1989 at least \$2.5 million in taxes were not collected due to underreporting of sale process by buyers.

We found that tax collection can be improved through better interdepartmental communication and by

modifying motor vehicle and boat titles, as well as registration and tax statements. Further, the Department of Revenue could collect in excess of \$160,000 annually in additional revenue if the Department modified its electronic purchase price verification system.

Administrative improvements are not available which can reduce the loss of revenue from the sale of older vehicles. We have, therefore, included recommendations for statutory changes to create a minimum transfer tax for vehicles ten or more model years old. We also recommend a change in the Department of Revenue administrative rules to require all retailers to collect sales tax on vehicles they sell.

We appreciate the courtesy and cooperation extended to us by staff of the Departments of Revenue, Transportation, and Natural Resources. The agencies agreed to pursue our recommendations, and they chose not to include written responses.

Sincerely,  
DALE CATTANACH  
State Auditor

State of Wisconsin  
Legislative Audit Bureau

October 9, 1990

To the Honorable the Legislature:

We have completed a financial audit of the State of Wisconsin Lottery Board to meet our audit requirements under s. 13.94(1)(em), Wis. Stats., and as requested by the Lottery Board to meet its requirements under s. 564.37(1), Wis. Stats. Our audit report contains the financial statements and related notes as prepared by the Lottery Board for the two years ended June 30, 1990, and June 30, 1989. We are able to issue an unqualified independent auditor's report on these statements.

We are also conducting our first biennial performance audit of the Lottery Board operations, which is also required by statute. We are reviewing several areas of the Lottery's operations, including advertising, retailer selection, and administrative costs. We expect to report on the results of the performance audit later this year.

The Lottery Board has completed its second full year of operations. In August 1989, the Lottery implemented the Megabucks on-line lottery game. The Lottery also continued to operate its pull-tab and instant scratch-off ticket games. In fiscal year 1989-90, the Lottery Board had ticket sales of \$309.6 million and prize expenses of \$158.5 million, with a net income of \$114 million.

Proceeds from lottery operations are required to be used to provide local property tax relief. Property tax relief, however, can be defined and interpreted in different ways. As presented by the Lottery in its financial statements and notes, \$87.9 million of the lottery proceeds were used for the purpose of providing property relief, including \$66.7 million through the school equalization aids formula, \$18 million for

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farmland tax credits, and \$3.2 million for district attorney salaries.

We will include minor management recommendations on internal controls in a separate letter to be issued to the Lottery Board at a later date. We appreciate the courtesy and cooperation extended to us by the Lottery Board staff during the audit.

Sincerely,  
DALE CATTANACH  
State Auditor

State of Wisconsin  
Ethics Board

October 10, 1990

To the Honorable the Senate

At the direction of s. 13.685(7), Wisconsin Statutes, I am furnishing you with recent changes in the Ethics Board's registry of principles and lobbyists.

AUTHORIZATION TO LOBBY IS GRANTED:

Karen Timberlake, 744 North 4th Street, Milwaukee, WI 53203 (414) 271-8045

1) Planned Parenthood of Wisconsin, Inc.

Subjects:

Statements that identify state agency officers and employes whose job duties include attempting to influence legislation s. 13.695 and principal expense statements s. 13.68 are available for review at the Wisconsin Ethics Board.

Sincerely,  
R. ROTH JUDD  
Executive Director

EXECUTIVE COMMUNICATIONS

State of Wisconsin  
Office of the Governor

October 1, 1990

To the Honorable, the Senate:

I am submitting to the Legislature the report enclosed with this letter. This report sets forth the required information concerning the Wisconsin Housing and Economic Development Authority's actual and projected surplus available for the following fiscal year, and WHEDA's plan for expanding or encumbering the surplus.

The information supplied and the amounts identified exceed the specific requirements of the statutes (ss 234.165, as amended by 1989 Wisconsin Act 346).

WHEDA reports that the statutory surplus for fiscal year 1990-91 is projected to be \$3 million, and the total Unencumbered Surplus reported for 1990-91 is \$7.8 million, including \$4.8 million in General Reserve Funds that WHEDA is not required to report.

The report provides a detailed explanation of these amounts and presents the Authority's plan for using these funds to create housing, business and job opportunities for Wisconsin.

Respectfully,  
TOMMY THOMPSON  
Governor

Read and referred to committee on Housing, Government Operations and Cultural Affairs.

SENATE CLEARINGHOUSE ORDERS

State of Wisconsin  
 Revisor of Statutes Bureau  
 October 3, 1990

To the Honorable the Legislature:

The following rules have been published and are effective:

- Clearinghouse Rule 89- 23 effective October 1, 1990.
- Clearinghouse Rule 89- 67 effective October 1, 1990.
- Clearinghouse Rule 89- 68 effective October 1, 1990.
- Clearinghouse Rule 89- 72 effective October 1, 1990.
- Clearinghouse Rule 89-114 effective October 1, 1990.
- Clearinghouse Rule 89-115 effective October 1, 1990.
- Clearinghouse Rule 89-123 effective October 1, 1990.
- Clearinghouse Rule 89-159 effective October 1, 1990.
- Clearinghouse Rule 89-188 effective October 1, 1990.
- Clearinghouse Rule 89-195 effective October 1, 1990.
- Clearinghouse Rule 89-204 effective October 1, 1990.
- Clearinghouse Rule 89-211 effective October 1, 1990.
- Clearinghouse Rule 90- 16 effective October 1, 1990.
- Clearinghouse Rule 90- 17 effective October 1, 1990.
- Clearinghouse Rule 90- 24 effective October 1, 1990.
- Clearinghouse Rule 90- 29 effective October 1, 1990.
- Clearinghouse Rule 90- 33 effective October 1, 1990.
- Clearinghouse Rule 90- 35 effective October 1, 1990.
- Clearinghouse Rule 90- 36 effective October 1, 1990.
- Clearinghouse Rule 90- 52 effective October 1, 1990.
- Clearinghouse Rule 90- 54 effective October 1, 1990.
- Clearinghouse Rule 90- 55 effective October 1, 1990.
- Clearinghouse Rule 90- 63 part effective October 1, 1990.  
 part effective November 1, 1990.
- Clearinghouse Rule 90- 66 effective October 1, 1990.
- Clearinghouse Rule 90- 71 effective October 1,

- 1990.
- Clearinghouse Rule 90- 81 effective October 1, 1990.
- Clearinghouse Rule 90- 84 effective October 1, 1990.
- Clearinghouse Rule 90-113 effective October 1, 1990.

Sincerely,  
 GARY L. POULSON  
 Deputy Revisor of Statutes

**Senate Clearinghouse Rule 89-193**

Relating to motor fuel, special fuel, general aviation fuel and cigarette taxes.

Submitted by Department of Revenue.  
 Report received from agency, October 8, 1990.  
 Referred to committee on Aging, Banking, Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-49**

Relating to sport fishing.  
 Submitted by Department of Natural Resources.  
 Report received from agency, October 9, 1990.  
 Referred to committee on Transportation, Conservation and Mining, October 10, 1990.

**Senate Clearinghouse Rule 90-51**

Relating to the establishment of a waste tire management or recovery grant program.  
 Submitted by Department of Natural Resources.  
 Report received from agency, October 9, 1990.  
 Referred to committee on Urban Affairs, Environmental Resources, Utilities and Elections, October 10, 1990.

**Senate Clearinghouse Rule 90-59**

Relating to safe drinking water.  
 Submitted by Department of Natural Resources.  
 Report received from agency, October 9, 1990.  
 Referred to committee on Urban Affairs, Environmental Resources, Utilities and Elections, October 10, 1990.

**Senate Clearinghouse Rule 90-65**

Relating to amusement ride fees.  
 Submitted by Department of Industry, Labor and Human Relations.  
 Report received from agency, October 5, 1990.  
 Referred to committee on Labor, Business, Insurance, Veterans' and Military Affairs, October 10, 1990.

**Senate Clearinghouse Rule 90-97**

Relating to determining 'engaged in business' for sales and use tax purposes.  
 Submitted by Department of Revenue.  
 Report received from agency, October 8, 1990.  
 Referred to committee on Aging, Banking, Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-98**

Relating to reciprocity and instalment sales for income tax purposes.  
 Submitted by Department of Revenue.

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Report received from agency, October 8, 1990.  
Referred to committee on Aging, Banking,  
Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-99**

Relating to medical supplies sold and purchased.  
Submitted by Department of Revenue.  
Report received from agency, October 8, 1990.  
Referred to committee on Aging, Banking,  
Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-100**

Relating to the examination of Wisconsin tax returns.  
Submitted by Department of Revenue.  
Report received from agency, October 8, 1990.  
Referred to committee on Aging, Banking,  
Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-101**

Relating to sales and use taxes.  
Submitted by Department of Revenue.  
Report received from agency, October 8, 1990.  
Referred to committee on Aging, Banking,  
Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-102**

Relating to sales and use taxes.  
Submitted by Department of Revenue.  
Report received from agency, October 8, 1990.  
Referred to committee on Aging, Banking,  
Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-103**

Relating to sales and use taxes.  
Submitted by Department of Revenue.  
Report received from agency, October 8, 1990.  
Referred to committee on Aging, Banking,  
Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-104**

Relating to sales and use taxation.  
Submitted by Department of Revenue.  
Report received from agency, October 8, 1990.  
Referred to committee on Aging, Banking,  
Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-112**

Relating to sport fishing.  
Submitted by Department of Natural Resources.  
Report received from agency, October 9, 1990.

Referred to committee on Transportation,  
Conservation and Mining, October 10, 1990.

**Senate Clearinghouse Rule 90-119**

Relating to hunting of wild turkeys.  
Submitted by Department of Natural Resources.  
Report received from agency, October 9, 1990.  
Referred to committee on Transportation,  
Conservation and Mining, October 10, 1990.

**Senate Clearinghouse Rule 90-124**

Relating to the homestead credit.  
Submitted by Department of Revenue.  
Report received from agency, October 8, 1990.  
Referred to committee on Aging, Banking,  
Commercial Credit and Taxation, October 10, 1990.

**Senate Clearinghouse Rule 90-137**

Relating to the program for clean water fund  
assistance for water pollution control facilities.  
Submitted by Department of Natural Resources.  
Report received from agency, October 9, 1990.  
Referred to committee on Urban Affairs,  
Environmental Resources, Utilities and Elections,  
October 10, 1990.

**Senate Clearinghouse Rule 90-162**

Relating to membership on the insurance security  
fund board.  
Submitted by Office of the Commissioner of  
Insurance.  
Report received from agency, October 3, 1990.  
Referred to committee on Labor, Business,  
Insurance, Veterans' and Military Affairs, October 10,  
1990.

**Senate Clearinghouse Rule 90-178**

Relating to definitions under the securities law;  
securities registration exemptions; securities registration  
and disclosure standards, requirements and procedures;  
securities broker-dealer, securities agent and investment  
adviser licensing requirements and procedures; and  
various fee-related provisions under the securities law.  
Submitted by Office of the Commissioner of  
Securities.  
Report received from agency, October 8, 1990.  
Referred to committee on Education, Economic  
Development, Financial Institutions and Fiscal Policies,  
October 10, 1990.