



STATE OF WISCONSIN Assembly Journal

Ninety-Fifth Regular Session

MONDAY, December 30, 2002

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

REFERRAL OF AGENCY REPORTS

State of Wisconsin
Department of Health and Family Services
Madison

December 2002

To the Honorable, the Legislature:

The Guide to Wisconsin Hospitals, Fiscal Year 2001, presents information on hospital finances, services and utilization. The data for this report were taken from the FY 2001 Hospital Fiscal Survey and the 2001 Annual Survey of Hospitals. These data were collected and this report issued under Chapter 153, Wisconsin Statutes.

Sincerely,
PHYLLIS J. DUBE
Secretary

Referred to committee on **Health**.

State of Wisconsin
Department of Health and Family Services
Madison

December 9, 2002

To the Honorable, the Assembly:

On behalf of the Board of Governors of the Health Insurance Risk Sharing Plan (HIRSP), I am pleased to submit the calendar year 2001 annual report. This submission is in accordance with the statutory requirements set forth at s. 149.15, Wisconsin Statutes.

The report includes:

- * A summary of how HIRSP is funded, who is eligible, what services are covered and policyholder premium, deductible and coinsurance obligations.
- * A historical overview and a summary of HIRSP-related legislative changes since 1997.
- * Demographic information about HIRSP policyholders.

- * An explanation of HIRSP's funding and financial information.
- * Utilization and cost data, including summaries of HIRSP payments by diagnosis category and by therapeutic classes of prescription drugs.

The Department of Health and Family Services and the HIRSP Board appreciate the continuing support of the Legislature. Please contact me if I may provide additional information.

Sincerely,
PHYLLIS J. DUBE
Secretary

Referred to committee on **Health**.

State of Wisconsin
Department of Health and Family Services
Madison

December 16, 2002

To the Honorable, the Assembly:

Section 46.03 (26) of the statutes requires the Department of Health and Family Services to report annually on information systems projects under development. The attached report is a summary of the departmental systems currently under development.

Sincerely,
PHYLLIS J. DUBE
Secretary

Referred to committee on **Health**.

State of Wisconsin
Department of Health and Family Services
Madison

December 18, 2002

To the Honorable, the Assembly:

The Bureau of Health Information, Department of Health and Family Services, is pleased to submit to the Governor and to the Legislature the Uncompensated Health Care Report for fiscal year 2001. The data for this report were collected under Section 153.05, Wisconsin Statutes, and are published as authorized by the requirements of section 150.20, Wisconsin Statutes.

This report is based on annual hospital uncompensated health care data reported to the Bureau of Health Information by all operating general medical-surgical and specialty hospitals in Wisconsin. The report sets forth the total charges for charity care, bad debt, and total uncompensated health care for fiscal year 2001. It also shows the projected number of patients and the projected charges for charity care, bad debt, and total uncompensated health care in fiscal year 2002.

Sincerely,
PHYLLIS J. DUBE
Secretary

Referred to committee on **Health**.

State of Wisconsin
Department of Transportation
Madison

December 20, 2002

To the Honorable, the Legislature:

I am pleased to submit the Final Report of the Governor's Airport Financing Committee, which was developed by dedicated representatives of the Department of Transportation, the Department of Commerce, airport managers, airlines serving this state, the general aviation community, the people of this state, and private businesses with an interest in transportation policy and financing. I think you will find that the hard work of the Committee has resulted in a thorough discussion of the issues related to airport needs and financing in Wisconsin.

The Governor's Airport Financing Committee was created in the 2001-03 Biennial Budget ([2001 Wisconsin Act 16](#)) in response to challenges encountered by the Governor, the Legislature and the Wisconsin Department of Transportation (WisDOT) during the budget process. Wisconsin Act 16 charged the Committee:

- * to review and evaluate the state's airport system needs and the current system of funding those needs and to recommend changes, if any, to better meet those needs;
- * to evaluate, among other things: aircraft registration fees; aviation fuel taxes and fees; allocation of sales tax receipts from the sale of aircraft, parts, and services; and the allocation of other moneys for airport financing;
- * to make recommendations, if any, to generate revenue in amounts equal to or greater than the sum of moneys appropriated for aeronautical activities in fiscal year 2002.

The Committee met on five occasions between April and December 2002 to hear reports on specific aviation finance issues and to discuss alternative ways of meeting Wisconsin's airport financing challenges. The Committee studied topics identified in the Legislature's charge plus other issues identified by individual committee members. A variety of innovative aviation revenue initiatives were discussed, and the Committee set goals and criteria to evaluate proposed revenue initiatives.

The final months of the Committee's process were dedicated to evaluating revenue options to determine how best to meet both near-term and more long-term airport needs in Wisconsin. The recommendations of the report address the near and long-term aviation revenue needs of the State and the current system of funding those needs.

A solid transportation infrastructure is important to Wisconsin, and public airports in Wisconsin represent an essential part of that infrastructure. We are ready to assist you in any way possible as you tackle the challenging task of addressing our airport needs.

Sincerely,
PATRICK O. GOSS,
Deputy Secretary, Airport Financing
Committee Chair

Referred to committee on **Transportation**.

State of Wisconsin
Department of Regulation and Licensing
Madison

December 20, 2002

To the Honorable, the Assembly:

In accordance with Wisconsin State Statutes 961.36 (3), enclosed please find the 2002 Controlled Substances Board Annual Report.

It is hoped that the Assembly will find this report useful.

Sincerely,
DEANNA ZYCHOWSKI
Director, Bureau of Health Professions

Referred to committee on **Criminal Justice**.

State of Wisconsin
Department of Health and Family Services
Madison

December 30, 2002

To the Honorable, the Legislature:

The Department of Health and Family Services is pleased to submit to the Governor and the Legislature the Vital Records Online Study Committee Report of Findings. Preparation of this report was required under section 9123 (8kk) of [2001 Wisconsin Act 16](#).

This report was prepared by a committee that included the State Registrar, Local Registrars, and other vital records business partners and stakeholders. It recommends guidelines for the development, maintenance and funding of an electronic online vital records system for Wisconsin. The committee's recommendations were reached after it studied Wisconsin's vital records business needs at the local and state level, and surveyed other states for best practices, system costs, and measures to prevent identity theft in electronic vital records systems.

As required under Act 16, the report also recommends the vital records fee changes needed to fund the development, implementation and maintenance of the system, and how the fees should be allocated. It also notes the revisions to Wisconsin Statutes that would be required to implement the recommended fee changes.

Sincerely,
PHYLLIS J. DUBE
Secretary

Referred to committee on **Information Policy and Technology**.

AGENCY REPORTS

State of Wisconsin
Legislative Audit Bureau
Madison

December 20, 2002

To the Honorable, the Legislature:

We have completed a financial audit of the State of Wisconsin Unemployment Reserve Fund for the years ended June 30, 2002 and 2001. We performed the audit at the request of the Department of Workforce Development and to meet our audit responsibilities under s. 13.94, Wis. Stats.

Our audit report contains our unqualified opinion on the financial statements and related notes. During fiscal year 2001-02, unemployment benefit payments exceeded employer contributions and other operating revenues, resulting in an operating loss of \$392 million. This loss was partially offset by a one-time distribution from the federal government of \$166 million in previously paid federal unemployment taxes. These funds, which may be used to pay certain unemployment benefits as well as administrative costs of the unemployment insurance program and employment services offices, currently remain in the Unemployment Reserve Fund.

Accompanying the financial statements is the Schedule of Cash Balance Related to Taxable Employers. As shown in the schedule, the cash balance declined \$236 million from \$1.71 billion as of June 30, 2001, to \$1.47 billion as of June 30, 2002. This cash balance, which includes the \$166 million distribution from the federal government, is used to determine the tax rate schedule that applies to taxable employers. Section 108.18(3m), Wis. Stats., currently allows the lowest tax rate to be applied when the cash balance as of June 30 is at least \$1.2 billion. Because the June 30, 2002, cash balance is in excess of \$1.2 billion, the lowest tax rate schedule will continue to be applied for taxable employers during calendar year 2003.

The Unemployment Reserve Fund implemented new financial reporting requirements of Governmental Accounting Standards Board Statement Number 34. As a result, included in this report on pages 5-8 are Management's Discussion and Analysis, which were prepared by the

management of the Unemployment Reserve Fund and provide its analysis of the financial statements.

We appreciate the courtesy and cooperation extended to us by Department of Workforce Development staff during the audit.

Respectfully submitted,
JANICE MUELLER
State Auditor

State of Wisconsin
Legislative Audit Bureau
Madison

December 20, 2002

To the Honorable, the Legislature:

We have completed a financial audit of the State of Wisconsin Educational Communications Board Radio Network to meet our audit requirements under s. 13.94, Wis. Stats., and as requested by the Educational Communications Board to fulfill the audit requirements of the Corporation for Public Broadcasting. The Corporation requires audited financial statements of public broadcasting entities to determine future funding levels.

The Educational Communications Board, which is an agency of the State of Wisconsin, operates a radio network of 12 FM stations and 1 AM station, as well as a television network of 5 stations. The radio network received \$7.6 million in support and revenue during fiscal year 2001-02, including state support, member contributions, funding from the Corporation for Public Broadcasting, and various other grants.

Our audit report contains the financial statements and related notes for the period July 1, 2001 through June 30, 2002. We were able to issue an unqualified independent auditor's report on these statements. A new financial reporting model was implemented for fiscal year 2001-02 that changed the presentation of the financial statements. An important feature of the new model is Management's Discussion and Analysis, which is prepared by management of the Educational Communications Board and provides an overview of the financial statements and an analysis of financial results.

We appreciate the courtesy and cooperation extended to us by Educational Communications Board staff during the audit.

Respectfully submitted,
JANICE MUELLER
State Auditor

State of Wisconsin
Legislative Audit Bureau
Madison

December 20, 2002

To the Honorable, the Legislature:

We have completed a financial audit of the State of Wisconsin Educational Communications Board Television Network to meet our audit requirements under s. 13.94, Wis. Stats., and

as requested by the Educational Communications Board to fulfill the audit requirements of the Corporation for Public Broadcasting. The Corporation requires audited financial statements of public broadcasting entities to determine future funding levels.

The Educational Communications Board, which is an agency of the State of Wisconsin, operates a television network of 5 stations, as well as a radio network of 12 FM stations and 1 AM station. The television network received \$10.9 million in support and revenue during fiscal year 2001-02, including state support, member contributions, funding from the Corporation for Public Broadcasting, and various other grants.

Our audit report contains the financial statements and related notes for the period July 1, 2001 through June 30, 2002. We were able to issue an unqualified independent auditor's report on these statements. A new financial reporting model was implemented for fiscal year 2001-02 that changed the presentation of the financial statements. An important feature of the new model is Management's Discussion and Analysis, which is prepared by management of the Educational Communications Board and provides an overview of the financial statements and an analysis of financial results.

We appreciate the courtesy and cooperation extended to us by Educational Communications Board staff during the audit.

Respectfully submitted,
JANICE MUELLER
State Auditor

State of Wisconsin
Investment Board
Madison

December 23, 2002

To the Honorable, the Legislature:

Annually under s. [25.17 \(14g\)](#), Stats., the Investment Board submits a report to the Legislature on investment goals and long-term strategies. As we have done the past three years, I am writing to advise you that we submit the report in February. Although this will be after the December 31 due date, it will enable us to provide a more complete and informative report to you.

The Board of Trustees will consider recommendations on investment strategies and asset allocations made by staff and outside experts at their January meeting. We believe it is helpful to reflect the outcome of those discussions in our report to you. In addition, we plan to include in the report the effect that the severe market downturns have had on the trust funds and steps we have taken to operate in these volatile markets.

The report we submit in February will also include the performance assessment required under s. [25.17 \(14m\)](#). As in past years, we plan to combine the two reports to make it easier to understand the relationship between our strategies and our investment results.

Please feel free to contact me if you have any questions or concerns.

Sincerely,
PATRICIA LIPTON
Executive Director