



STATE OF WISCONSIN

Senate Journal

Ninety–Fifth Regular Session

1:45 P.M.

TUESDAY, February 20, 2001

The Senate met.

The Senate was called to order by Senator Fred Risser.

Senator Risser, with unanimous consent, appointed Senators Hansen, Robson, Rosenzweig and Fitzgerald to act as escorts to his Excellency the Governor.

Senator Chvala, with unanimous consent, asked that the Senate recess for the purpose of convening in a joint convention to receive the Governor's budget message and reconvene at 4:16 P.M.

1:56 P.M.

RECESS

IN ASSEMBLY CHAMBER IN JOINT CONVENTION

The President of the Senate in the Chair.

The committee to await upon the Governor appeared with his excellency the Governor, who delivered his budget message as follows:

BUDGET ADDRESS

Speaker Jensen . . . Speaker Pro Tem Freese . . . President Risser . . . members of the Wisconsin Legislature . . . Constitutional Officers . . . Honorable Justices of the Wisconsin Supreme Court . . . members of the cabinet . . . my fellow citizens.

In my inaugural address . . . delivered 19 days ago . . . I spoke about what I called the making of Wisconsin.

. . . about imposing a new spending discipline on state government.

. . . about the need to reduce Wisconsin's overall tax burden.

. . . about the need to invest more money in education.

. . . about the goal of keeping Wisconsin's economy strong and growing.

. . . about improving the quality of life for all of our citizens.

. . . about my commitment to protecting the environment.

My inaugural address laid out . . . in very broad terms . . . the values which are important to me . . . and to the people of Wisconsin.

The budget I propose to you today expresses . . . in more practical terms . . . these same values:

. . . living within our means.

. . . helping others reach their full potential in life.

. . . meeting our commitments.

. . . protecting the environment.

. . . doing more to help businesses grow so they can create new and better jobs.

. . . helping families thrive.

. . . showing compassion for the neediest members of our society.

. . . working cooperatively to take care of the people's business.

For me . . . a budget is a statement of who we are . . . and what we value . . . it defines those principles we are willing to fight for.

We all know that . . . over the course of the next several months . . . great debates will rage over how our values and our priorities are reflected in the final budget document.

But I want to make one thing very clear.

I want to work with each one of you . . . in both houses . . . in both parties . . . to make sure we all share in the making of Wisconsin and that the values we all bring to this endeavor will be reflected . . . to the greatest extent possible . . . in the final version of this budget.

The proposed budget reflects what I believe are the values all citizens of Wisconsin share . . . and I am more than willing to talk about how we can work together to reach common ground for the common good.

But you also need to know from the outset that I will not support any budget package which would impose a financial burden on Wisconsin taxpayers that exceeds their ability to pay.

Has this been an extraordinarily difficult budget to assemble? You bet.

Do I wish we could go farther or faster in some areas?

Absolutely.

However, I also believe it's important for governments . . . just like our families . . . to live within their means.

The daily lives of all the citizens in this state are filled with difficult choices as they decide how to balance expenses with income.

Can they afford a new car?

A new home?

Can they cover their heating bill?

Buy enough food?

How much can they afford to save for their children's education?

Or investing for retirement?

And from these hard-working people we take taxes.

They trust us with their money and they trust us to spend their money wisely as we work not only to sustain . . . but to improve . . . the quality of life we have all come to enjoy in Wisconsin.

We must never abuse that trust.

In my inaugural address . . . I said it's time for government to demand less so our citizens can do more for themselves and their families.

This is the time.

This is the budget.

This is when we need to make sure Wisconsin's financial house is built on a solid foundation.

We've been using the taxpayer's credit card to increase spending and we've come up short in producing the money to pay the bill . . . so now we've got to make some painful decisions and take steps to make sure this situation is not repeated.

I can tell you today that the 3 percent and 2.9 percent spending increases in this budget are the lowest GPR spending increases in over 30 years!

There are two over-arching themes which guided the development of the budget I present to you today.

The first is the need to control state spending and provide a mechanism to lower taxes and avoid larger budget deficits.

The second is my commitment to build an even more vibrant state economy . . . to invest in the creation of good paying jobs . . . to build upon the solid economic foundation which has been laid over the past 14 years.

I believe this budget accomplishes these goals.

My proposal to cap state spending increases at the rate of growth in personal income will get state spending under control. And . . . if you're wondering . . . the spending increase in this budget would come in well under the cap . . . if it were in place today.

My proposal to return half of all future surplus funds to state taxpayers provides a mechanism for additional tax relief.

My proposal to direct half of any future budget surpluses to the Budget Stabilization Fund will help avoid a repeat of the deficit challenge we faced in putting this budget together.

However . . . I also know that others here have been at work on these same issues . . . fighting for the same sound approach to spending and taxes.

When the last biennial budget was passed . . . I expressed my personal concern about the rate of spending growth in that budget.

We have now seen where excessive spending takes us.

We began this budget planning process with a structural deficit estimated to be \$475 million in the current fiscal year.

However, the nation's economic slowdown over the past few months has forced us to revise our revenue figures downward . . . and these lower revenue projections pushed the deficit up to \$557 million in each year of the upcoming biennium.

That means we have to use \$557 million of revenue growth in the first year of the upcoming biennium . . . and another \$557 million of growth in the second year just to sustain our current levels of spending.

And . . . as you all know . . . this \$1.1 billion structural deficit . . . the largest in state history . . . must be covered before a single dime is allocated for a single new program.

My friends . . . let us vow . . . right here . . . right now . . . to work together to make sure that no future governor . . . regardless of party . . . will be forced to begin a biennial budget cycle with a deficit of this magnitude.

Furthermore . . . and let me say this in unambiguous words . . . as long as I am governor . . . I will do all I can to make sure the state of Wisconsin does not face a deficit of this magnitude again.

You also need to know that part of the equation for balancing this budget is my proposal to "securitize" the stream of payments Wisconsin is slated to receive from tobacco companies as part of the recent national settlement.

By selling the state's right to receive these payments to bond investors and by turning the bulk of their immediate payment over to the Wisconsin Investment Board to invest . . . Wisconsin can turn an expected \$5.6 billion in payments over the next 30 years into about \$6.8 billion over that same period of time.

I am proposing that \$350 million of the amount we initially receive be used to offset the current structural deficit and that the balance be assigned to a permanent endowment fund. The earnings on the endowment fund will be used to support anti-smoking efforts and other health-related programs.

This is sound fiscal management which will yield both short and long-term financial and health benefits for Wisconsin's citizens . . . but only if we act responsibly in managing the proceeds of this settlement.

As we work together to come to agreement on this budget . . . I would ask that you not jeopardize the state's bond rating . . . or mortgage our children's future . . . by dipping further into this fund.

This is just one example of how this has been a daunting budget process . . . perhaps the most difficult budget in many years . . . but it's also provided us with some great opportunities.

And it's those opportunities I am most excited to talk about today.

The opportunity to focus on performance and productivity . . . rather than spending.

The opportunity to look for ways to further streamline government . . . at all levels.

The opportunity to provide more efficient and more effective services at a lower cost.

The opportunity to re-focus our priorities on those things which most need our attention and our resources.

Call it . . . the re-making of Wisconsin.

That is the opportunity this budget has presented to us . . . and . . . together . . . we must accept the challenge.

The budget I present to you today does not shift the state's financial shortfall to other units of government . . . it does not raise taxes . . . and it does not rely on accounting tricks to balance the books.

This is a budget built on the same principles we all learned in Accounting 101 . . . you don't spend more than you take in and you don't rob Peter to pay Paul.

It's common sense.

It's sound fiscal management.

It's our sacred obligation as public servants.

Despite the challenging budget picture . . . I am recommending major new financial investments in the following areas:

\$540 million more for public schools . . . to help fund school costs and continue to provide much-needed property tax relief.

\$206 million more for corrections . . . for a more compassionate and effective approach to rehabilitation and making sure that our citizens are more secure.

\$201 million more for medical assistance . . . to provide more medical services to the neediest in our state.

There is also new money to grow and build Wisconsin's economy and to help create more high-skill . . . high-wage jobs. In other words . . . more opportunities for our citizens to improve their lives by moving up the economic ladder.

- Twenty technology development zones will be created to help develop high-tech . . . high-skill . . . high-wage jobs.

- An airport hub property tax incentive will be provided to encourage airlines to create high-paying jobs in Wisconsin.

- The single sales factor approach to apportionment of corporate taxes will be phased in . . . so that Wisconsin is more competitive with our neighboring states when it comes to locating new plants and creating new jobs.

- A "Rural Initiative" to reinvigorate Wisconsin's historic commitment to small towns and farms by providing grants and start-up assistance to small business owners and family farmers.

- Funding for the TechStar program . . . which will provide grants to a consortium of southeastern Wisconsin universities to help turn their research efforts into marketable products.
- Funding for the "Milwaukee Idea" . . . which will increase the number of faculty and students enrolled at the University of Wisconsin–Milwaukee in high–demand occupational areas. This money will also provide for creation of the "Academy of Excellence" honors program on the Milwaukee campus . . . which is an initiative aimed at keeping Wisconsin's best and brightest students learning . . . and, hopefully, working . . . right here at home . . . in Wisconsin.
- Another \$11.8 million for the "Madison Idea" . . . which focuses on increasing educational options for students at the University of Wisconsin–Madison and for enhancing economic development.
- Funding will be provided to the Wisconsin Technical College System to create a 17th campus. But this one will be a virtual technical campus . . . on–line.
- The gross receipts tax on wholesale power transactions will be cut in half to help increase the supply of energy and reduce the cost.
- We will begin the process of reconstructing the Marquette Interchange in Milwaukee. This is a crucial . . . indeed indispensable . . . link for commerce flowing throughout the entire state of Wisconsin.
- Ten million dollars will be earmarked for the Canal Street project in Milwaukee to help facilitate redevelopment in the Menomonee Valley.
- \$9.1 million will be provided for infrastructure improvements around the soon–to–be–refurbished Lambeau Field in Green Bay.

Technological changes are also having a big effect on state government . . . and in defining the way we provide services to the people of Wisconsin.

That is why I am proposing creation of a new Wisconsin Department of Electronic Government . . . to be headed by a state Chief Information Officer . . . and which will be responsible for technology planning and project implementation.

This new department . . . which will be formed from existing divisions within DOA . . . will help incorporate emerging technologies into the workplace . . . and will help us provide better and more efficient services . . . and at a lower cost.

And when we speak of "efficiency" . . . we must take a moment to speak of Don Kettl . . . one of Wisconsin's most valuable resources.

In January . . . the Kettl Commission presented its report on State–Local Partnerships and this budget includes the commission's recommendations on municipal shared revenue. These recommendations seek to eliminate incentives to spend money and . . . instead . . . put in place incentives to encourage more cooperation and efficiency. As additional savings are realized through a move to regionalized "economies of scale" . . . taxpayers can look forward to lower tax burdens.

This is not the first time Don Kettl has stepped forward to take on a difficult assignment and I know it won't be the last. Don . . . please stand up . . . and let a grateful state say "Thank you!"

We must also reaffirm our commitment to public education. Not just in terms of the state's funding responsibility . . . but also by endorsing initiatives to improve performance. Education is the most critically important component in building a successful and comfortable life . . . regardless of whatever endeavor one may chose to pursue . . . and the state has a responsibility to ensure that all of our children are reaching their highest potential.

That's why this budget provides funds for . . .

- Promoting site–based management.
- New school improvement teams.
- Restructuring under–performing schools.
- An independent Board of Educational Accountability to manage assessment programs and provide information to parents and taxpayers on how schools are performing.
- A pay–for–performance initiative for teachers who excel.
- More charter schools.
- Smaller class sizes in the elementary grades.
- Alternative certification options for qualified teachers.

In building academic programs around the needs of students . . . giving parents and policy makers better information . . . improving subject area knowledge and student outcomes . . . our schools will be better able to focus on performance rather than on compliance.

The author George Eliot wrote . . . "What do we live for . . . if it is not to make life less difficult for each other?"

The budget I present to you today makes life less difficult for the neediest in Wisconsin in these ways.

- New funding to maintain Early Childhood Excellence Centers . . . which will provide high quality childcare to low–income families.
- An additional \$84 million for direct child care . . . to significantly improve access for families who need this help.
- Creation of a "Kids Cabinet" to ensure better coordination of programs for children.

- Maintenance of funding for the Community Options Program.
- Additional funds to address caseload needs in the Division of Vocational Rehabilitation.

- Funds to expand the Women's Health Program . . . and for treatment of breast and cervical cancer.

- More money for BadgerCare . . . which will help add approximately 20,000 families to the program.

- A Prescription Drug Assistance Program which could cover over 80,000 of Wisconsin's senior citizens who currently do not have any prescription drug benefits.

It's my hope . . . as we come to some agreement on what the state can afford to do in extending prescription drug benefits . . . that we don't lose sight of the fact we all want more of our senior citizens covered. On that point . . . there is no disagreement.

We must also reaffirm our commitment to environmental protection and wise use of our natural resources.

Commenting on the prediction that the world's population could double in the next 30 years, the Archbishop of Canterbury recently said . . . "We will have to learn to live more simply so that others may simply live."

We must not take more from this world than we need and we must make sure we preserve as much of God's beauty for those who will follow us.

We are all custodians of the land . . . the water . . . our state and national forests . . . our beautiful state parks . . . the shorelines . . . the natural habitat . . . the wildlife . . . and . . . the wetlands.

This is a part of Wisconsin's heritage I will not allow to be un–made.

In my proposed budget, you will find:

- A Green Tier Initiative which will strengthen the partnerships between businesses and the Department of Natural Resources . . . and provide for a more effective level of environmental management.
- An additional \$130 million in bonding authority to invest in water quality improvement.
- Three million dollars for ethanol production to help the environment and to help Wisconsin farmers.
- Two million dollars for "brownfield" clean–up in the Menomonee Valley.

· Nearly two million dollars will be directed towards the Agricultural Stewardship Initiative to fund research which will help reduce agricultural pollution.

· Creation of the Fox River Navigational System Authority to rehabilitate, repair, operate and maintain the lock system on the Fox River.

· A \$300,000 program to better control invasive aquatic plants which threaten Wisconsin's aquatic habitat and water-based recreation.

In closing . . . there can be no doubt this will be a difficult budget process and I am sure the debates will sometimes be fierce . . . but there is no need for our political differences to spill over into our personal relationships.

There's an old French proverb that says . . . "To speak kindly does not hurt the tongue."

Let's fight as hard as we can for what we believe . . . but let's also treat each other with respect and kindness and courtesy.

As I said in my inaugural address . . .

Let's be proud of what we do and say here.

Let's leave a legacy our children can look back on with pride when we are gone.

Shakespeare wrote . . . "If I lose my honor . . . I lose myself."

Let's be sure we hold both honor and self securely in our hands as this important budget debate unfolds.

Thank you.

The Joint Convention arose at 2:36 P.M.

4:16 P.M.

The Senate reconvened.

Senator George in the chair.

The Chair, with unanimous consent, asked that the proper entries be made in the journal.

INTRODUCTION AND REFERENCE OF RESOLUTIONS AND JOINT RESOLUTIONS

Read and referred:

Senate Joint Resolution 22

Relating to: the life and public service of Daniel T. "Tom" Kelley.

By Senator Robson; cosponsored by Representative Schooff.

To committee on **Senate Organization**.

Senate Joint Resolution 23

Relating to: the life and public service of Helmar A. Lewis.

By Senators Schultz, Cowles, Farrow, Baumgart and Darling; cosponsored by Representatives Loeffelholz, Freese, Johnsrud, Albers, Gunderson, Ladwig, Turner, Vrakas, Wade, Gronemus, Owens, Krawczyk and Petrowski.

To committee on **Senate Organization**.

INTRODUCTION, FIRST READING AND REFERENCE OF BILLS

Read first time and referred:

Senate Bill 53

Relating to: proceeds from the sale of forest products at Badger Army Ammunition Plant and making an appropriation.

By Senators Welch and Schultz; cosponsored by Representatives Wade, Freese, Albers, Gunderson, Townsend and Musser.

To committee on **Health, Utilities, Veterans and Military Affairs**.

Senate Bill 54

Relating to: discharges of dredged or fill material into nonfederal wetlands.

By Senator Shibilski.

To committee on **Environmental Resources**.

Senate Bill 56

Relating to: following snowplows and providing a penalty.

By Senators Plache, Breske, Burke, Darling, Moen and Schultz; cosponsored by Representatives Ainsworth, Boyle, Freese, Huber, Krawczyk, Ladwig, Lassa, M. Lehman, J. Lehman, Lippert, Musser, Olsen, Owens, Plouff, Powers, Ryba, Starzyk, Stone, Townsend, Turner, Vrakas and Wade.

To committee on **Insurance, Tourism, and Transportation**.

Senate Bill 57

Relating to: creating a permit authorizing the operation upon a highway of a specialized hauling rig that exceeds statutory size and weight limits.

By Senators Breske and M. Meyer; cosponsored by Representatives Stone, Grothman, Montgomery, Townsend, Albers, Lassa, Sykora, Petrowski, Pettis, Wade, Gronemus and Ryba.

To committee on **Insurance, Tourism, and Transportation**.

Senate Bill 58

Relating to: the regulation of snowmobile rail crossings.

By Senators Breske, Cowles, Decker, Baumgart and Schultz; cosponsored by Representatives Wade, Ryba, Kestell, Gunderson, Johnsrud, Gronemus, Townsend, Kreuser, Albers, Olsen, Pettis, Nass, Lippert, Kreibich, Kaufert, Petrowski, Sykora and Vrakas.

To committee on **Insurance, Tourism, and Transportation**.

Senate Bill 59

Relating to: authority of a court to suspend a person's operating privilege for violations of ordinances unrelated to the operation of a motor vehicle or for failing to pay a penalty for such a violation.

By Senators Harsdorf, Darling, Huelsman and Schultz; cosponsored by Representatives Ladwig, M. Lehman, Townsend, Olsen, Starzyk, Pettis, Albers, Stone, Leibham, Sykora and Jeskewitz.

To committee on **Judiciary, Consumer Affairs, and Campaign Finance Reform**.

Senate Bill 60

Relating to: authority of a court to suspend a juvenile's operating privilege for violations of ordinances unrelated to the operation of a motor vehicle or for failing to pay a penalty for such a violation.

By Senators Plache and Huelsman; cosponsored by Representatives Ladwig, Stone, Olsen, Lippert, Starzyk, Vrakas, Kreuser, Miller, J. Lehman and Pettis.

To committee on **Judiciary, Consumer Affairs, and Campaign Finance Reform.**

REPORT OF COMMITTEES

The joint committee on **Finance** reports and recommends:

Senate Bill 55

Relating to: state finances and appropriations, constituting the executive budget act of the 2001 legislature.

Introduction.

Ayes, 16 – Senators Burke, Decker, Moore, Shibilski, Wirch, Robson, Darling and Welch. Representatives Gard, Kaufert, Albers, Duff, Ward, Huebsch, Huber and Riley.

Noes, 0 – None.

To joint committee on **Finance.**

Brian Burke
Senate Chairperson

Pursuant to Senate Rule **36(2)(c)** and section 13.52(6), Wisconsin Statutes, the Co-Chairs of the Joint Survey Committee on Tax Exemptions shall prepare and submit a report in writing setting forth an opinion on the desirability of **Senate Bill 55**, relating to state finances and appropriations, constituting the executive budget act of the 2001 legislature, as a matter of public policy.

Pursuant to Senate Rule **36(2)(c)** and section 13.50(6), Wisconsin Statutes, the Co-Chairs of the Joint Survey Committee on Retirement Systems shall prepare and submit a report in writing setting forth an opinion on the desirability of **Senate Bill 55**, relating to state finances and appropriations, constituting the executive budget act of the 2001 legislature, as a matter of public policy.

PETITIONS AND COMMUNICATIONS

State of Wisconsin

February 20, 2001

The Honorable, The Senate:

I will be unable to attend the Joint Committee on Finance meeting of February 20, 2001. Therefore, I am submitting my resignation from the committee.

I will be available to resume my position immediately for the next committee meeting. If you have any questions, please do not hesitate to contact me.

Sincerely,

KIMBERLY M. PLACHE
State Senator

State of Wisconsin

February 20, 2001

The Honorable, The Senate:

Pursuant to Senate Rule **20(2)(a)**, I have appointed Senator Judy Robson to the Joint Committee on Finance.

Sincerely,

CHUCK CHVALA
Chair, Committee on Senate Organization

**State of Wisconsin
Office of the Governor**

February 6, 2001

The Honorable, The Senate:

This is to inform you that I am withdrawing the nomination of George Meyer as Secretary of the Department of Natural Resources.

Thank you for your attention to this matter.

Sincerely,

SCOTT MCCALLUM
Governor

**State of Wisconsin
Legislative Audit Bureau**

February 1, 2001

The Honorable, The Legislature:

This biennial report on the operations and performance of the Legislative Audit Bureau covers the period January 1, 1999 through December 31, 2000. It summarizes the Bureau's statutory responsibilities, significant developments affecting the Bureau, and reports released during the past two years and is required under s. **13.94(1)(j)**, Wis. Stats.

The Bureau conducts financial and program evaluation audits to assist the Legislature in its oversight of executive branch agencies. The Bureau's reports are received and reviewed by the Joint Legislative Audit Committee, whose 1999-2000 members were:

- Senator Gary R. George, Co-chairperson
- Senator Judith Robson
- Senator Brian Burke
- Senator Peggy Rosenzweig
- Senator Mary Lazich
- Representative Carol Kelso, Co-chairperson
- Representative Stephen Nass
- Representative John Gard
- Representative Robert Ziegelbauer
- Representative David Cullen

In total, we released 42 numbered reports during the biennium, as well as several dozen other documents of a narrow scope or intended for a limited audience. We make every effort to deliver accurate, timely, and useful analyses that enhance the accountability of state government, and we look forward to serving the Legislature, the Governor, and the people of Wisconsin in the coming years.

Sincerely,

JANICE MUELLER
State Auditor

**State of Wisconsin
Legislative Audit Bureau**

February 15, 2001

The Honorable, The Legislature:

At the request of several legislators including Senator George, who first requested it, we have performed a limited review of the State's settlement with Fort James Corporation for natural resource damages to the Fox River. A legal settlement between the Department of Natural Resources (DNR), the Wisconsin Department of Justice, and Fort James Corporation stipulated that the State will not sue Fort James for natural resource damages arising from the release of polychlorinated biphenyls (PCBs) into the Fox River. In exchange, Fort James has agreed to provide or fund several environmental restoration projects at a cost that has been estimated to be \$7.0 million. The settlement agreement, which was signed November 15, 2000, is subject to

acceptance by the United States District Court for the Eastern District of Wisconsin.

Several aspects of the settlement agreement have been controversial, including the confidential nature of the negotiations that preceded the settlement; the use of consultants paid for by Fort James and other paper companies to value the environmental damages for which the State and local governments are to be compensated; the models used to value the environmental losses sustained; and the objections raised by the U.S. Fish and Wildlife Service, whose staff were not included in the negotiations. However, DNR strongly defends its approach as reasonable and effective. Based on our review, we have identified several issues that are contentious, may result in limited opportunities for legislative oversight, or are unresolved at this time.

We appreciate the courtesy and cooperation extended to us by DNR, the Department of Justice, and the Fish and Wildlife Service in conducting this review.

Sincerely,

JANICE MUELLER
State Auditor

**State of Wisconsin
Legislative Audit Bureau**

February 16, 2001

The Honorable, The Legislature:

We have completed a review of Employment Solutions, Inc. (ESI) and 15 other Wisconsin Works (W-2) agencies as part of a comprehensive audit of the state wide implementation of the W-2 program. We have identified charges for out-of-state work and other unallowable and questioned expenditures by ESI that are similar to those we identified for Maximus, Inc., an agency that also administers the W-2 program in Milwaukee County.

We identified \$270,268 in unallowable costs that were related to ESI's activities outside of Wisconsin but charged to the W-2 program. Most were related to unsuccessful efforts to acquire a contract for administration of Arizona's welfare-to-work program. Our findings suggest the extent of ESI's out-of-state activities was greater than the agency had indicated.

Among \$3.6 million in additional transactions for ESI, we identified \$35,899 in unallowable costs and questioned another \$61,234 in expenditures charged to the w-2 program. Unallowable and questioned transactions include expenditures for entertaining ESI employees, advertising, legal services, local hotel charges, and a variety of restaurant and other food charges.

We also reviewed staff performance incentives that were charged to the W-2 program by three agencies in 1999. ESI provided substantially higher incentives than the other agencies, partly because ESI has chosen to make a portion of employees' compensation contingent upon performance. ESI's incentives averaged \$9,635 each for the 84 employees receiving them. ESI's chief executive officer received a total of \$61,645 in 1999; that amount reflects incentive payments for performance in 1998 and 1999.

Finally, we identified \$12,604 in unallowable costs and \$114,487 in questioned costs made by six other W-2 agencies.

We appreciate the courtesy and cooperation extended to us by the W-2 agencies and the Department of Workforce Development during the course of our review.

Sincerely,

JANICE MUELLER
State Auditor

**State of Wisconsin
Department of Administration**

February 12, 2001

The Honorable, The Legislature:

This report is transmitted as required by sec. 20.002(11)(f) of the Wisconsin Statutes, (for distribution to the appropriate standing committees under sec. 13.172(3) Stats.), and confirms that the Department of Administration has found it necessary to exercise the "temporary reallocation of balances" authority provided by this section in order to meet payment responsibilities and cover resulting negative balances during the month of January 2001.

On January 1, 2001, the **Wisconsin Health Education Loan Repayment Fund** balance was -\$11 thousand. This shortfall increased to -\$13 thousand on January 17, 2001, decreased to -\$2 thousand on January 24, 2001, and continued into the month of February. As of the date of this letter, it is expected to be resolved soon. This shortfall is due to the timing of revenues.

On January 1, 2001 the **Utility Public Benefits Fund** balance was -\$3.18 million. This shortfall decreased to -\$1.76 million on January 4, 2001, increased to -\$2.13 million on January 11, 2001, to -\$3.08 million on January 23, 2001, to -\$4.24 million on January 30, 2001, and continued into the month of February. As of the date of this letter, it is expected to be resolved soon. This shortfall is due to the timing of revenues.

On January 25, 2001 the **University Trust-Income Fund** balance was -\$32 thousand. This shortfall decreased to -\$24 thousand on January 26, 2001 and continued until January 29, 2001 when the balance reached \$1.95 million. This shortfall was due to the timing of revenues.

The Wisconsin Health Education Loan Repayment Fund, Utility Public Benefits Fund, and University Trust-Income Fund shortfalls were not in excess of the statutory interfund borrowing limitation and did not exceed the balances of the Funds available for interfund borrowing.

The distribution of interest earnings to investment pool participants is based on the average daily balance in the pool and each fund's share. Therefore, the monthly calculation by the State Controller's Office will automatically reflect the use of these temporary reallocations of balance authority.

Sincerely,

GEORGE LIGHTBOURN
Secretary

Referred to the joint committee on **Finance**.

**State of Wisconsin
Department of Administration**

February 14, 2001

The Honorable, The Legislature:

In the Division of Gaming Quarterly Report sent to you on February 5, 2001, the fiscal year report on the Bingo program was omitted. Somehow in the assembly phase two copies of the Charitable Gaming (Raffle and Crane Games) got attached.

Please remove the last page of the report and include the attached report on the Bingo program.

If you have any additional questions please contact me at 27--2546. I apologize for this error.

Sincerely,

RICHARD B. PEDERSEN
Division of Gaming

**State of Wisconsin
Department of Transportation**

February 8, 2001

The Honorable, The Senate:

With great pleasure I present to you this report on the Pretrial Intoxicated Driver Intervention Grant Program. The program, created by section 85.53 Wis. Stats., was established by the legislature in 1997 with the requirement that the Department study its impact and report on its findings every even numbered year. This report covers the period from 1995, two years prior to the enactment of the program, through the year 1999.

The Pretrial Intoxicated Driver Intervention Program is designed for drivers who are arrested for their second or subsequent offense. It is an intervention program designed to get the offender into counseling, treatment and monitoring as soon as possible after the arrest in the belief that intervention is most effective if it happens very soon after the incident. Previously, intervention waited until the completion of court action, typically 90 to 120 days. This program brings offenders to intervention almost immediately, usually as part of the bail release process. It was hoped this early intervention would help reduce recidivism rates.

As you will see in the full report, early indications are good. It appears that offenders who successfully completed the program were less likely than non participants to be rearrested for subsequent operating while intoxicated violations and that those who were rearrested went significantly longer between arrests than non participants.

This report describes the program in each of the ten participating counties and provides a detailed explanation of its results. I commend those people who have dedicated themselves to making this innovative program a success.

Sincerely,

TERRENCE D. MULCAHY, P. E.
Secretary of Transportation

**State of Wisconsin
Ethics Board**

February 20, 2001

The Honorable, The Senate:

The following lobbyists have been authorized to act on behalf of the organizations set opposite their names.

For more detailed information about these lobbyists and organizations and a complete list of organizations and people authorized to lobby the 2001 session of the legislature, visit the Ethics Board's web site at <http://ethics.state.wi.us/>

- Boyce, Catherine **Smokefree Wisconsin**
- Broydrick, William **Smokefree Wisconsin**
- Ciaravino, Anthony S **Wine Institute**
- Elverman, Timothy J **Smokefree Wisconsin**
- Gundermann, Robert **Wisconsin Alzheimer's Association Chapter Network**
- Handzel, Jr., Henry **Printing Industries of Wisconsin**
- Handzel, Jr., Henry **Wisconsin Paper Council**
- Hottenroth, Theresa M **Froedtert Memorial Lutheran Hospital**
- Kent, Paul **Town of Hobart**
- Koenecke, Mary **GlaxoSmithKline, Inc. (formerly Glaxo Wellcome)**
- Leitch, Laura J **Froedtert Memorial Lutheran Hospital**
- McCoshen, William J **Snap-On Incorporated**

- Morgan, Lynn
- O'Connor, William P
- Petersen, Eric J
- Reihl, Mark **Carpenters**
- Springer, Thomas J **Hospital**
- Stafford, Julie C **Wisconsin Development Initiative**
- Stenger, Scott
- Strohl, Joseph **Wisconsin Development Initiative**

- Smokefree Wisconsin**
- Gathering Waters Inc**
- Snap-On Incorporated**
- Wisconsin State Council of**
- Froedtert Memorial Lutheran**
- Wisconsin Academy Staff**
- Verizon Wireless**
- Wisconsin Academy Staff**

Also available from the Wisconsin Ethics Board are reports identifying the amount and value of time state agencies have spent to affect legislative action and reports of expenditures for lobbying activities filed by organizations that employ lobbyists.

Sincerely,

ROTH JUDD
Director

**State of Wisconsin
Office of the Secretary of State**

To the Honorable, the Senate:

<u>Bill, Joint Resolution or Resolution Number</u>	<u>Act Number or Enrolled Number</u>	<u>Publication Date</u>
2001 Senate Joint Resolution 8	Enrolled Joint Resolution, 2	N/A
2001 Senate Joint Resolution 10	Enrolled Joint Resolution, 3	N/A
2001 Senate Joint Resolution 13	Enrolled Joint Resolution, 4	N/A
2001 Senate Joint Resolution 14	Enrolled Joint Resolution, 5	N/A

Sincerely,
DOUGLAS LA FOLLETTE
Secretary of State

**State of Wisconsin
Circuit Court**

December 20, 2000

The Honorable, The Legislature:

As Chair of your Committee on Judicial Selection, it is with a great sense of accomplishment that I submit the Committee's report, along with findings and recommendations. The considerable study, investigation, assessment, debate and evaluation of this issue by a Committee of top-notch legal and judicial scholars along with community and academic leaders produced the first comprehensive report on this subject for our state. With the creation of this Committee the three branches of our government combined to send a strong message that racial and ethnic diversity on Wisconsin courts is a serious and important issue.

The findings and recommendations in our report illustrate the paramount importance of the challenge of increasing diversity in our judiciary. Meeting this challenge will require multifaceted solutions, including greater involvement by more groups and greater access to more information. The Committee believes that the legislative, judicial and executive branches can continue to show leadership by bringing in other societal institutions and segments to gain their input and cooperation, by further developing and implementing the recommendations in this report, and by continuing to work to achieve racial and ethnic diversity on Wisconsin courts.

It is our belief that the implementation of these recommendations will lead us closer to our goal of providing Wisconsin citizens with a judiciary that is not only qualified and independent, but a judiciary which is also racially and ethnically diverse as the people of this Great State. Again, I join the members of the Committee in expressing our sincere appreciation for the opportunity to serve the people of Wisconsin on this important matter.

Sincerely,

JUDGE MAXINE ALDRIDGE WHITE
Chair, Committee on Judicial Selection

**State of Wisconsin
Circuit Court**

December 20, 2000

The Honorable, The Legislature:

As Chair of your Task Force on Racial Profiling, it is with great pleasure that I submit the Committee's report, including findings and recommendations on the matter. You assembled an excellent group of professionals who worked diligently to gain an understanding of the issue, and then produced the best, most comprehensive report possible. We believe that this report will be a useful tool to help our Great State combat even the perception of racial profiling.

Our recommendations go beyond the idea of mere data collection and address ways to end poor police practices before they begin. With the help of law enforcement, both on the Task Force and on the job, we were able to address the areas that will make a positive difference in preventing racial profiling. We made specific recommendations regarding training, supervision, policies, data collection and community outreach. We believe, through our research on this topic, that each element of the plan we put before you is as important as the next one. Some of our recommendations have been adopted and implemented by several law enforcement agencies within the state and many others across the country are interested in emulating our results.

Thank you for recognizing the need for such a study and putting together such a remarkable team. Each and every member of this Task Force gave their valuable time to the study and brought their diverse perspectives to the table, which helped create these effective and attainable recommendations.

Sincerely,

JUDGE MAXINE ALDRIDGE WHITE
Chair, Governor's Task Force on Racial Profiling

ADVICE AND CONSENT OF THE SENATE

**State of Wisconsin
Office of the Governor**

February 8, 2001

The Honorable, The Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint BAZZELL, DARRELL, of McFarland, as Secretary of the Department of Natural Resources, to serve for the term ending at the pleasure of the Governor.

Sincerely,

SCOTT MCCALLUM
Governor

Read and referred to committee on **Environmental Resources**.

**REFERRALS AND RECEIPT OF
COMMITTEE REPORTS CONCERNING
PROPOSED ADMINISTRATIVE RULES**

Senate Clearinghouse Rule 00-091

Relating to licensing of emergency medical technicians-paramedic and approval of emergency medical technician-paramedic operational plans.

Submitted by Department of Health and Family Services.

Report received from Agency, February 20, 2001.

Referred to committee on **Health, Utilities, Veterans and Military Affairs**, February 20, 2001.

Senate Clearinghouse Rule 00-122

Relating to placement of Wisconsin-issued motor vehicle identification numbers (VINs).

Submitted by Department of Transportation.

Report received from Agency, February 15, 2001.

Referred to committee on **Insurance, Tourism, and Transportation**, February 20, 2001.

The committee on **Labor and Agriculture** reports and recommends:

Senate Clearinghouse Rule 00-119

Relating to pesticide product restrictions.

No action taken.

David Hansen
Chairperson

MESSAGES FROM THE ASSEMBLY

By John A. Scocos, chief clerk.

Mr. President:

I am directed to inform you that the Assembly has passed and asks concurrence in:

Assembly Bill 5

Assembly Bill 37

Adopted and asks concurrence in:

Assembly Joint Resolution 29

Assembly Joint Resolution 30

**MESSAGES FROM THE ASSEMBLY
CONSIDERED**

Assembly Bill 5

Relating to: authority of a court to suspend a juvenile's operating privilege for violations of ordinances unrelated to the operation of a motor vehicle or for failing to pay a penalty for such a violation.

By Representatives Ladwig, Starzyk, Bies, Friske, Krawczyk, Lippert, Loeffelholz, McCormick, Freese, Gronemus, Grothman, Hahn, Huebsch, Kestell, Kreuser, J. Lehman, M. Lehman, Miller, Montgomery, Nass, Olsen, Ott, Owens, Petrowski, Pettis, Rhoades, Stone, Suder, Sykora, Urban, Vrakas, Ward and Ziegelbauer; cosponsored by Senators Plache, Baumgart, Darling, Farrow, S. Fitzgerald, Harsdorf, Huelsman and Schultz.

Read first time and referred to committee on **Judiciary, Consumer Affairs, and Campaign Finance Reform**.

Assembly Bill 37

Relating to: basing certain urban mass transit operating assistance payments on projected operating expenses.

By Representatives Wieckert, Krawczyk, Wood, Ott, Ladwig, Underheim, Kreibich, J. Lehman, Petrowski, Turner, Vrakas, Richards, Coggs, Townsend and Kaufert; cosponsored by Senators Robson, Decker, Cowles, Ellis, Roessler, Huelsman, Baumgart, Grobschmidt and Erpenbach.

Read first time and referred to committee on **Insurance, Tourism, and Transportation**.

Assembly Joint Resolution 29

Relating to: commending Joe Leeen for his years of public service in the Wisconsin state senate and the department of health and family services.

By Representatives Hundertmark, Huebsch, Olsen, Wade, Gundrum, Meyerhofer, Suder, Ott, Walker, Gard, Montgomery, Powers, McCormick, Starzyk, Plouff, Lippert, J. Lehman, Gronemus, Urban, Vrakas, Krawczyk, Stone, Ladwig, Wasserman, Owens, Kedzie, Krug, Jeskewitz, Albers, Balow, Freese, Gunderson, Jensen, Nass, Coggs, Ryba, Kaufert, Townsend, Plale, Petrowski, Miller and Skindrud; cosponsored by Senators Welch, Panzer, Farrow, Rosenzweig, Ellis, S. Fitzgerald, Breske, Zien, A. Lasee, Lazich, Risser, Harsdorf, Darling and Huelsman.

Read and referred to committee on **Senate Organization**.

Assembly Joint Resolution 30

Relating to: commemorating the distinguished record and

public service of Cate Zeuske.

By Representatives Montgomery, Ainsworth, Gard, Albers, Balow, Bies, Duff, Freese, Gundrum, Huebsch, Hundertmark, Jensen, Jeskewitz, Kedzie, Kestell, Krawczyk, Leibham, Lippert, McCormick, Musser, Nass, Olsen, Ott, Owens, Petrowski, Plale, Plouff, Powers, Rhoades, Ryba, Skindrud, Starzyk, Suder, Sykora, Townsend, Urban, Vrakas, Wade, Walker, Ward and Wasserman; cosponsored by Senators Darling, Baumgart, Breske, Erpenbach, Farrow, S. Fitzgerald, Grobschmidt, Harsdorf, Huelsman, A. Lasee, Lazich, Panzer, Risser, Roessler, Schultz and Zien.

Read and referred to committee on **Senate Organization**.

ADJOURNMENT

Senator George, with unanimous consent, asked that the Senate adjourn pursuant to **Senate Joint Resolution 1** and **Senate Joint Resolution 14**.

Adjourned.

4:18 P.M

AMENDMENTS OFFERED

Senate substitute amendment 1 to **Senate Bill 19** offered by Senator Baumgart.

SENATE ENROLLED PROPOSALS

The Chief Clerk records:

Senate Joint Resolution 20

Report correctly enrolled on February 16, 2001.