

STATE OF WISCONSIN  
**Senate Journal**  
Ninety–Fifth Regular Session

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WEDNESDAY, March 13, 2002

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

**PETITIONS AND COMMUNICATIONS**

State of Wisconsin  
Department of Commerce

March 11, 2002

The Honorable, The Legislature:

The 1999-2000 Biennial Budget bill contained a provision that instructed the Department of Commerce to evaluate the operation of section 101.143(4)(cm) of the statutes and to report the results of the evaluation to the joint legislative audit committee, to the joint committee on finance and to the appropriate standing committees of the legislature, no later than the first day of the 14th month beginning after the effective date of this subsection.

Although the department recognizes the importance of the development and evaluation of a usual and customary costs schedule, it has encountered difficulties in developing data necessary to create such a schedule based on past costs. As a result, we are still in the process of fully implementing the usual and customary cost schedule described in section 101.143(4)(cm). Based on early analysis, the department did implement a competitive bidding process for all commodity services to obtain market-driven cost data. Having now developed an approach to determining usual and customary costs with limited data, the department is reporting on its schedule for full implementation including a date for evaluating the effects of the schedule of costs.

The department has developed a draft schedule of usual and customary costs for consultant activities from available data on hourly rates for consultant employees and from estimates of the typical hours involved in each activity. Estimating is the customary method in the industry for creating budgets for such activities. The department has used staff with experience in the consulting field to estimate the time typically involved in key activities. It proposes to obtain additional input from an advisory committee that includes staff from consulting firms to further refine the usual and customary cost schedule before implementing the schedule by administrative rule.

In the attached report, the department has also identified potential implementation problems. This will enable the department to determine what data can be gathered during implementation to evaluate the impact of those problems.

We appreciate your efforts to control costs in the PECFA program and are available to provide any additional information that you might wish regarding current operations and future evaluation reports relating to usual and customary costs.

Sincerely,

PHILIP EDW. ALBERT

Secretary

Referred to committee on **Universities, Housing and Government Operations**.

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

**Senate Clearinghouse Rule 01–054**

Relating to the regulation of swim rafts and the definition of “impoundment” and “similar conveyance.”

Submitted by Department of Natural Resources.

Report received from Agency, March 6, 2002.

Referred to committee on **Insurance, Tourism, and Transportation**, March 13, 2002.

**Senate Clearinghouse Rule 01–128**

Relating to permitting the use of natural bodies of water as fish farms.

Submitted by Department of Natural Resources.

Report received from Agency, March 12, 2002.

Referred to committee on **Environmental Resources**, March 13, 2002.

The committee on **Universities, Housing, and Government Operations** reports and recommends:

**Senate Clearinghouse Rule 01–140**

Relating to career executive employment and various technical changes to bring the rules into consistency with the statutes and compensation plan.

No action taken.

**Senate Clearinghouse Rule 01–141**

Relating to certification for employment consideration, probationary periods, transfers of career executive employees and various technical changes to bring the rules into consistency with the statutes and compensation plan.

No action taken.

Mark Meyer

Chairperson

**SENATE ENROLLED PROPOSALS**

The Chief Clerk records:

**Senate Bill 88**

**Senate Bill 356**

**Senate Bill 367**

Report correctly enrolled on March 13, 2002.