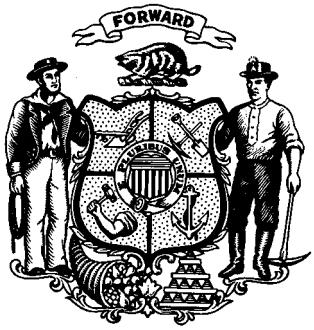
Summary of Budget Recommendations

State Senate

Changes to Joint Committee on Finance



Legislative Fiscal Bureau
June 18, 2009

2009-11 Wisconsin State Budget

INTRODUCTION

On June 17, 2009, the Senate completed its deliberations on the 2009-11 state budget.

This document summarizes the changes that the Senate made to the Joint Finance Committee's version of the budget (SSA 1 to AB 75). The Senate changes were incorporated in SA 1 and SA 17 to SSA 1 to AB 75.

The document is organized by functional area. The order of the document is as follows:

- Education and Building Program
- General Government and Justice
- Health Services and Insurance
- Natural Resources and Commerce
- Tax Policy, Children and Families, and Workforce Development
- Transportation and Property Tax Relief

Following this introduction is a Table of Contents and two general fund condition statements. Table 1 reflects the 2009-11 general fund condition statement under SSA 1 to AB 75 as affected by Senate Bill 232 (general school aid payment legislation enacted as 2009 Act 23). Table 2 displays the condition of the general fund under the Senate.

For each functional area, changes made by the Senate are listed by agency and program. For each item, a narrative description and corresponding fiscal effect, if any, is provided.

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TABLE 1

2009-11 General Fund Condition Statement

SSA 1 to AB 75 and SB 232

	2009-10	2010-11
Revenues		
Opening Balance, July 1	$70,420,400	$327,539,700
Taxes	12,314,543,000	12,848,701,000
Departmental Revenues		
Tribal Gaming Revenues	19,476,600	22,312,000
Other	810,834,600	800,220,500
Total Available	$13,215,274,600	$13,998,773,200
Appropriations and Reserves		
Gross Appropriations	$13,432,277,600	$13,918,196,100
Compensation Reserves	47,279,100	95,962,700
Less Lapses	-591,821,800	-411,750,200
Net Appropriations	$12,887,734,900	$13,602,408,600
Balances		
Gross Balance	$327,539,700	$396,364,600*
Less Required Statutory Balance	-65,000,000	-130,000,000
Net Balance, June 30	$262,539,700	$266,364,600

*General school aids would be underfunded by $261,278,000 if no adjustment is made in 2009-10 and 2010-11.

TABLE 2

2009-11 General Fund Condition Statement

Senate

	2009-10	2010-11
Revenues		
Opening Balance, July 1	$70,420,400	$316,863,000
Taxes	12,456,523,000	13,007,801,000
Departmental Revenues		
Tribal Gaming Revenues	19,476,600	22,312,000
Other	810,744,400	800,107,500
Total Available	$13,357,164,400	$14,147,083,500
Appropriations, Transfers and Reserves		
Gross Appropriations	$13,582,344,100	$14,330,189,700
Transfer to Recycling Fund	2,500,000	2,500,000
Compensation Reserves	47,279,100	95,962,700
Less Lapses	-591,821,800	-411,750,200
Net Appropriations	$13,040,301,400	$14,016,902,200
Balances		
Gross Balance	$316,863,000	$130,181,300
Less Required Statutory Balance	-65,000,000	-130,000,000
Net Balance, June 30	$251,863,000	$181,300

EDUCATION AND BUILDING PROGRAM

BUDGET MANAGEMENT

1. STRUCTURAL BALANCE EXCEPTION

Specify that the current law requirements that revenues exceed expenditures in each fiscal year would not apply in 2010-11.

2. AGENCY MISSION STATEMENTS AND PERFORMANCE MEASURES

Require the Secretary of the Department of Administration to submit agency mission statements and performance measures to the appropriate standing committees of the Legislature, and to the Joint Committee on Finance during January of each odd-numbered year.

BUILDING COMMISSION

1. SALE OF UNIVERSITY OF WISCONSIN SYSTEM PROPERTIES

Sunset on June 30, 2011, the authority of the UW System to sell properties and deposit the net proceeds from the sale (remaining proceeds after state debt or federal funding associated with property is repaid) to the UW Systems general operations appropriation. This would modify a provision under the substitute amendment that would permanently provide the UW System this authority.

BUILDING PROGRAM

1. MARQUETTE UNIVERSITY SCHOOL OF ENGINEERING BUILDING

	Chg. to JFC
BR	$10,000,000

Provide $10,000,000 in general fund supported bonding for an engineering facility at Marquette University. Enumerate the facility as a $35,000,000 project, with the remainder of the project funding coming from gifts, grants, and other receipts.

Require that the state funding commitment be in the form of a grant to the Marquette University. Specify that before approving any state funding commitment to Marquette University the Building Commission would be required to make the following a determinations

a. that the organization has secured additional funding from $25,000,000 in nonstate donations for the project; and

b. the school of engineering facility will not be used for the purpose of devotional activities, religious worship, or sectarian instruction.

If the Building commission authorizes a construction grant to Marquette University, require the University to provide the state with an option to purchase the engineering education facility under the following conditions: (a) the option price must be the appraised fair market value at the time that the option is exercised, less a credit recognizing the amount of the state's construction grant; and (b) the option must be subject to any mortgage or other security interest of any private lenders. Require the option may be exercised only upon suspension of operation of a program of engineering education at Marquette University or any successor organization or foreclosure of the mortgage by a private lender. Specify that if the state does not exercise the option to purchase the engineering education facility, and if the facility is sold to any third party, any agreement to sell the facility would have to provide that the state has the right to receive an amount equal to the construction grant from the net proceeds of any such sale after the mortgage has been satisfied and all other secured debts have been paid. Specify that this state's right to received funds would be paramount to the right of Marquette University to the proceeds upon such sale.

Specify that the Building Commission would not be allowed to make the grant, unless DOA has reviewed and approved the plans for the construction of engineering school building at Marquette University, although DOA could not supervise any services or work or let any contract for the project.

Create a bonding authorization for the purpose of issuing bonds for the project. Create a GPR sum sufficient appropriation to fund the debt service payments and any payments on an agreement or ancillary arrangement associated with the bonding authorized for the project.

Specify that the Legislature finds and determines that that it is vital for economic development in this state to ensure the availability of a sufficient number of engineers to meet the needs of businesses and residents of this state. Specify that is therefore in the public interest, and it is the public policy of this state, to assist private institutions in this state, including Marquette University, in the construction of a facility that will be used for engineering education.

2. STUDY OF STATE ROLE IN EXPANDING DENTAL EDUCATION

Direct the Building Commission to allocate $500,000 from the building trust fund to study the feasibility of the state having a role in expanding access to dental education in the state. Specify that the study emphasize state's role in increasing dental care in rural and under served

areas of the state, including the possibility of a new dental school in Marshfield.

PUBLIC INSTRUCTION

1. GENERAL SCHOOL AIDS -- SB 232 RELATED ADJUSTMENTS

	Chg. to JFC
GPR	$261,278,000
FED	- 261,278,000
Total	$0

Provide $40,278,000 GPR in 2009-10 and $221,000,000 GPR in 2010-11 and delete an equal amount of federal funding in each year for general school aids. This item would modify the JFC version of the budget to reflect the passage of Senate Bill 232, which would appropriate $261,278,000 of federal stabilization funding for general school aids in 2008-09, that would have been used in the 2009-11 biennium under JFC. In addition, delete references from the substitute amendment to federal funding for general school aids in 2010-11, including the provision for setting the general school aids base for the 2011-13 budget, which are no longer needed under this provision.

2. EQUALIZATION AID CALCULATION FOR CONSOLIDATED DISTRICTS

Change the percentage by which the equalization aid formula factors are increased for a consolidated school district from 10% to 15%, beginning with aid distributed in 2009-10. Under current law, in calculating aid for a consolidated district for the first five years after the consolidation, the cost ceilings and guaranteed valuations in the formula are increased by 10%, which has the effect of providing additional aid to consolidated districts. Increasing the percentage to 15% would provide more aid to consolidated districts within the total general school aids appropriation.

3. PRIOR YEAR BASE REVENUE HOLD HARMLESS

Restore the prior year base revenue hold harmless under revenue limits. Under Joint Finance, this adjustment would not apply to the calculation of revenue limits for the 2009-10 and 2010-11 school years. Under this adjustment, a district's initial revenue limit for the current year is, in certain cases, set equal to its prior year's base revenue. This hold harmless applies if a district's initial revenue limit in the current year, after consideration of the per pupil adjustment and low revenue ceiling, but prior to any other adjustments, is less than the district's base revenue from the prior year.

4. LOW REVENUE CEILING

Provide that the low revenue ceiling would be set at $9,800 beginning in 2011-12 and

thereafter. Under the Joint Finance version of the budget it would remain at $9,000 each year.

5. REPEAL QEO PROVISIONS

Restore the Governor's language regarding the repeal of the qualified economic offer, under which the repeal would first apply on the effective date of the bill. Under Joint Finance, the repeal would be effective July 1, 2010, with additional provisions covering collective bargaining agreements in the interim period between the effective date of the bill and July 1, 2010.

Also, modify a current statutory provision stating that the term of collective bargaining agreements may not exceed three years to clarify that agreements for school district employees may be for a term of up to four years, consistent with other provisions of the bill.

6. FOUR-YEAR-OLD KINDERGARTEN GRANTS

	Chg. to JFC
GPR	$3,000,000

Provide $3,000,000 in 2010-11 for four-year-old kindergarten grants. Under Joint Finance, $3,000,000 would be provided for these grants in 2009-10 and no funding would be provided in 2010-11.

7. OPEN ENROLLMENT HOLD HARMLESS PAYMENTS

	Chg. to JFC
GPR	$1,544,000

Provide $772,000 annually in a new sum sufficient appropriation for hold harmless payments to those districts that have net pupil transfers out of the district under the open enrollment program of more than 10% of their pupil membership. Specify that the payment be equal the net number of pupils in excess of 10% of the district's membership that transferred out of the district in the prior year multiplied by the open enrollment transfer amount in the prior year. Specify that these payments would be treated as a general aid subject to revenue limits.

8. YOUTH SAFETY GRANT

	Chg. to JFC
GPR	$110,000

Provide $55,000 annually to DPI for a grant to a non-profit organization to do the following: (a) prevent and reduce the incidence of youth violence and other delinquent behavior; (b) prevent and reduce the incidence of youth alcohol and other drug use and abuse; (c) prevent and reduce the incidence of child abuse and neglect; (d) prevent and reduce the incidence of nonmarital pregnancy and increase the use of abstinence as a method of preventing nonmarital pregnancy; and (e) increase adolescent self-sufficiency by encouraging high school graduation, vocational preparedness, improved social and other interpersonal skills and responsible decision making.

9. SPARSITY AID

	Chg. to JFC
GPR	$11,431,000

Increase the per pupil amount to $300 for all eligible districts effective in 2009-10. Increase funding by $11,431,000 in 2010-11, which would include $127,500 to restore base level funding from across-the-board reductions taken under Joint Finance, and $11,303,500 to fully fund $300 per pupil for all qualifying districts.

Under current law, school districts qualify for sparsity aid if they meet the following criteria: (a) an enrollment in the prior year of less than 725 pupils; (b) a population density of less than 10 pupils per square mile of district attendance area; and (c) at least 20% of pupils qualify for free or reduced-price lunch under the National School Lunch Program. Aid is equal to $150 per pupil, except that districts with at least 50% of pupils qualifying for free or reduced-price lunch receive $300 per pupil. In 2008-09, 110 districts qualified for sparsity aid, including 12 districts that qualified for $300 per pupil. Aid was prorated at 44.7%.

10. PRIVATE SCHOOL TRANSPORTATION PROVIDED THROUGH PARENT CONTRACTS

Specify that the Joint Finance provisions allowing school board payment to the parent for only one pupil, if two or more pupils reside in the same household and attend the same private school, would only apply to Milwaukee Public Schools.

11. TRANSPORTATION FOR PREGNANT STUDENTS

Delete the provision of the Joint Finance version of the budget that would require school districts to offer transportation to all private and public school pupils who reside in the district and are pregnant, even when such pupils reside less than two miles from the school they are entitled to attend, and regardless of whether the pupils reside in a school district that contains all or part of a city.

12. MILWAUKEE PARENTAL CHOICE PROGRAM -- REQUIRED BILINGUAL EDUCATION PROGRAM

Delete the Joint Finance provision that would require a choice school with an enrollment of more than 10% limited-English proficient pupils to have a bilingual-bicultural education program, beginning in the 2010-11 school year.

UNIVERSITY OF WISCONSIN SYSTEM

1. INCOME FROM NORMAL SCHOOL FUND FOR ENVIRONMENTAL PROGRAMS

	Chg. to JFC Funding	Positions
GPR-REV	- $3,200	
SEG	$572,400	1.00

Reestimate income and interest from the normal school fund by $284,600 annually, from the current amount of $65,400 annually. Rather than depositing this additional revenue in the general fund as under current law, instead deposit $200,000 annually from the normal school fund in a new appropriation under the UW System for environmental programs financial aid and scholarships. Of the amount transferred, specify that $100,000 SEG annually would be used to provide need-based grants to students who are members of underrepresented groups and who are enrolled in a program leading to a certificate or a bachelor's degree from the Nelson Institute for Environmental Studies at UW-Madison. In addition, specify that $100,000 SEG annually would be used to provide scholarships to students enrolled in the sustainable management degree program through UW-Extension.

Deposit $74,800 SEG in 2009-10 and $97,600 SEG in 2010-11 from the normal school fund in a new appropriation under the Department of Public Instruction. Specify that these funds would be used to support 1.0 SEG environmental education position to provide school districts with expertise in implementing environmental education-related curriculum, instruction, and assessment.

Based on the reestimate of income and interest from the normal school fund and the proposed use of those moneys, increase estimated GPR-Earned by $9,800 in 2009-10 and reduce estimated GPR-Earned by $13,000 in 2010-11.

2. UW-STEVENS POINT: DIRECTOR OF THE WISCONSIN INSTITUTE FOR SUSTAINABLE TECHNOLOGY

	Chg. to JFC
SEG	$220,000

Increase the appropriation by $110,000 annually and require the Board of Regents to allocate these funds to the Wisconsin Institute for Sustainable Technology (WIST) at UW-Stevens Point to provide funding for the position of the Director of the Institute. Delete the Joint Finance provision specifying that, for the purpose of preparing its agency budget request for the 2011-13 biennial budget, the UW System should submit its request as though the amount of this appropriation for the 2010-11 is $60,000 more than the amount in the schedule.

3. NONRESIDENT TUITION EXEMPTIONS FOR CERTAIN UNDOCUMENTED PERSONS

Delete the Joint Finance provision that would provide an exemption from nonresident tuition under the UW System and WTCS for certain undocumented persons. To be eligible under the Joint Finance provision, a person would have to be continuously present in Wisconsin for at least three years before graduating from high school or receiving a declaration of equivalency of graduation.

4. CONFLICT OF INTEREST FOR UW SYSTEM EMPLOYEES

Modify current law regarding conflict of interest of UW System employees to permit the UW System, any institution, or UW Colleges campus to enter into a contract or contracts with a research company requiring payments of up to $250,000 over 24 months if the contract or contracts has been approved by a UW System conflict of interest officer. Require the UW System to submit contracts in excess of $250,000 to the Board of Regents and specify that the UW System may enter into such a contract if the Board of Regents does not notify the UW System within 45 days of receiving the proposed contract that such a contract would violate state conflict of interest law. Delete the current law sunset regarding conflict of interest for UW System employees. A research company is an entity engaged in commercial activity that is related to research conducted by an employee or officer of the UW System or to a product of such research.

Under current law, the UW System, any institution, or UW Colleges campus may contract with a research company for the purchase of goods and services, including research, if the following apply: (1) the contract is approved by a UW conflict of interest officer; and (2) either of the following apply: (a) the contract or the sum of contracts between the same parties requires less than $75,000 in payments over a 24 month period; or (b) the UW System submits the contract to the attorney general and the attorney general does not notify the UW System within a specified time period that entering into the contract would constitute a violation of conflict of interest law. Under current law, this provision would not apply after June 30, 2011.

GENERAL GOVERNMENT AND JUSTICE

ADMINISTRATION

1. DIVISION OF LEGAL SERVICES

	Chg. to JFC Funding	Positions
GPR	$0	2.00
PR	- 1,574,000	- 3.00
SEG	0	1.00
Total	- $1,574,000	0.00

Delete the creation of a Division of Legal Services in the Department of Administration (DOA). Delete $787,000 PR and 6.0 PR attorney positions and 2.0 PR support staff positions in the DOA. Transfer funding from salaries and fringe benefits to supplies and services, and restore 2.0 GPR, 5.0 PR and 1.0 SEG classified positions in state agencies as follows: (a) 1.0 PR attorney position in the Public Service Commission; (b) 1.0 SEG attorney position in the Department of Transportation; (c) 1.0 PR attorney position in the Department of Financial Institutions; (d) 1.0 GPR attorney position and 1.0 GPR support staff position in the Department of Revenue; and (e) 2.0 PR attorney positions and 1.0 PR support staff position in the Department of Regulation and Licensing.

2. LOW-INCOME HEATING ASSISTANCE AND WEATHERIZATION

Specify that the Department of Administration (DOA) may transfer up to $10 million annually from the public benefits fund-supported low-income weatherization program to the low-income heating assistance program in the 2009-11 biennium.

Specify that funding received as part of the federal economic stimulus for LIHEAP would not be included in calculation for the public benefits fee for low-income heating assistance in 2009-10 and 2010-11. Specify that funding received from the federal stimulus funding would not be included when considering whether at least 47% of state and federal funding for heating and weatherization assistance is provided for weatherization.

3. USE OF PRIVATE CONTRACTORS DURING A HIRING FREEZE

Specify that private contractors or consultants could not be used to fill duties that would have been performed by state employees in the absence of a hiring freeze or unpaid leave of absence (furlough). Notwithstanding this provision, provide that the Office of the State Public Defender could continue to assign indigent legal defense cases to private bar attorneys.

Under Joint Finance, executive branch agencies would be prohibited from entering into, renewing, or extending the contract of any contractual services contracts with private contractors or consultants in any year in which the agency was prohibited from hiring employees to fill vacant positions or its employees are required to serve an unpaid leave of absence.

Under Joint Finance, an exception would be created if funding for private contractors or consultants is authorized under the federal American Recovery and Reinvestment Act [federal

moneys received by the state beginning on the effective date of the bill and ending on June 30, 2011, pursuant to federal legislation enacted during the 111th Congress for the purpose of reviving the economy of the United States] and the DOA Secretary determines that federal deadlines could not be achieved without the use of private contractors or consultants or a cost benefit analysis is completed that shows that private contractors or consultants would be both more cost effective and more efficient. Under Joint Finance, an executive branch agency would be allowed to directly submit a request under a 14-day passive review process, which would allow the agency to hire a private contractor or consultant if the agency submits information to the Joint Committee on Finance stating why they cannot comply with this provision and the Committee approves the request. There would be no change to this exception under the amendment.

This modification would allow executive branch agencies to enter into, renew, or extend any contractual services contracts with private contractors or consultants, in years of hiring freezes or furloughs, only if the duty was not otherwise performed by a state employee whose position was frozen or furloughed.

4. TEACH DATA LINE ACCESS FOR BUSINESS

Delete reference to data line access *between educational agencies and business entities* to clarify that business access to data lines would be limited to connectivity through the Internet and that the transmission over data lines is limited to transmissions that originate or terminate at the site of an educational agency or governmental entity that is authorized to use the data line.

5. MANAGEMENT ASSISTANCE GRANTS

Specify that management assistance grants may be used for "general operations." Under current law, Menominee County receives a grant of $600,000 PR annually from tribal gaming revenues. Currently, the grants must be used for the following activities: (a) public security; (b) public health; (c) public infrastructure; (d) public employee training; and (e) economic development. This provision would add general operations to the available uses.

CIRCUIT COURTS

1. EXPUNGING RECORD OF CONVICTION

Specify that, for eligible Class H to I felonies, the expungement of records provision only applies to first-time convictions.

Under the Joint Finance provision, current law would be modified to provide that a person is eligible to have his or her record of conviction expunged if: (a) the person was under the age of 25 at the time of the commission of the offense; and (b) the offense was a misdemeanor or non-violent Class H (a maximum sentence of three years confinement and three years extended supervision) or Class I (a maximum sentence of 18 months confinement and two years extended supervision) felony. The modifications would apply to sentencing orders that occur on the effective date of the subsection.

Under the substitute amendment, Class H or I felonies that would be ineligible for expungement are the same offenses defined as "violent offenses" for the purposes of the intensive sanctions program, and would include: (a) battery, substantial battery, aggravated battery; (b) battery to an unborn child, substantial battery to an unborn child, aggravated battery to an unborn child; (c) battery by prisoners; (d) battery by certain committed persons; (e) battery to law enforcement offices, fire fighters, and commission wardens; (f) battery to probation, extended supervision, and parole agents and aftercare agents; (g) battery to jurors; (h) battery to emergency medical care providers; (i) battery or threat to witnesses; (j) battery or threat to a judge; (k) abuse or neglect of patients and residents; (l) battery by person subject to certain injunctions; (m) battery to public officers; (n) battery to technical college district or school district officers and employees; (o) battery to public transit vehicle operator, driver, or passenger; (p) abuse of residents of penal facilities; (q) machine guns and other weapons; (r) tampering with household products; (s) arson with intent to defraud; (t) Molotov cocktails; (u) threats to injure or accuse of crime; (v) damage to property; (w) damage or threat to property of witness; (x) criminal damage, threat, property of judge; and (y) physical abuse of child. The Joint Finance provision also includes: (a) physical abuse of a child (intentionally causing bodily harm); (b) physical abuse of a child (recklessly causing bodily harm to a child by conduct which creates a high probability of great bodily harm); (c) sexual assault of a child by a school staff person or a person who works or volunteers with children; (d) stalking (if the defendant intentionally gains access to certain records in order to facilitate the violation or if the defendant has prior stalking or harassment conviction); and (e) concealing the death of a child.

Under current law, the sentencing court may order that the record be expunged upon successful completion of the sentence, if the person was under the age of 21 at the time of the commission of the offense, and the offense for which the person was found guilty was a misdemeanor.

2. INCREASED COURT FEES

Increase the $5 fee collected by clerks of courts for judgments, writs, executions, liens, warrants, awards, and certificates to $10. [Revenue is wholly retained by the county or municipality.

CORRECTIONS

1. SENTENCE MODIFICATIONS

Modify provisions related to sentencing as follows:

- Specify the positive adjustment time provision does not apply to persons sentenced for offenses committed on or after the effective date of the bill.

- Related to revocation of extended supervision, require the Department of Corrections to promulgate administrative rules defining "substantial risk to public safety."

- Related to expansion of modification to bifurcated sentences, require that the Department notify the sentencing court within 90 days of release to extended supervision that the offender's sentence will be modified. If the sentencing court does not schedule a hearing within 30 days of receipt of the notice, the Department must release the inmate to extended supervision. If the court schedules a hearing relating to modification, it must hold the hearing and issue an order within 60 days of receiving the notification. At the hearing, the court may grant the modification, deny the modification or order the inmate to remain in confinement for a specified period of time that does not exceed the time remaining on the confinement portion of the original sentence based upon the inmate's conduct in prison, level of risk of reoffending as measured by a verified, objective instrument, or the nature of the offense for which the inmate was sentenced.

- Delete the provision that would allow Corrections to release an offender to extended supervision under a risk reduction sentence after he or she has served at least 67% of the term of confinement portion of the sentence for non-violent Class F to I felonies. As a result, under provisions of the substitute amendment, all offenders given a risk reduction sentence would serve at least 75% of the term of confinement portion of the sentence.

2. MODIFICATIONS TO SENTENCE ADJUSTMENT AND EXTENDED SUPERVISION DISCHARGE

Exclude the following offenses from sentence adjustment (Class C through I felonies), risk reduction sentence, and extended supervision discharge provisions:

a. Provisions regarding "offenses related to school safety;"
b. Provisions regarding "government ethics" violations;
c. Provisions regarding "offenses against elderly and vulnerable persons;"
d. Felony murder (940.03);
e. Kidnapping (940.31);
f. Physical abuse of a child that causes great bodily harm to a child (948.03(2)(a));

g. Second-degree reckless homicide (940.06);

h. Human trafficking (940.302);

i. Contributing to the delinquency of a minor that causes death of the minor (948.40(4)(a));

j. Stalking involving bodily harm to a victim or if the offender used a weapon (940.32(3));

k. Mutilating a corpse (940.11(1));

l. Strangulation or suffocation (940.235(1));

m. Disarming a peace officer (941.21); and

n. Sex offender tampering with GPS monitoring device while on supervision (946.465).

Define "offenses related to school safety" to include the following offenses:

a. Possession of a gun in a gun-free school zone (948.605(2)(a)); and

b. Dangerous weapons other than firearms on school premises (948.61(2)(b)).

Define "offenses related to ethical government" to include the following offenses:

a. Criminal violation of lobby law statutes (13.69(6m);

b. Political influence violations of conduct standards and ethics codes for state and local public officials (19.58(1)(b)); and

c. Misconduct in public office (946.12).

Define "offenses against elderly and vulnerable persons" to include the following offenses, if the offense caused death, great bodily harm, or bodily harm to the victim:

a. Abuse of individuals at risk, intentional, reckless or negligent (940.285(2)); and

b. Abuse of individuals at risk by person in chare of or employed in a facility or program, intentional, reckless and negligent (940.295(3)(b)).

Felony murder offenses include the following, if the offender causes the death of another human being while committing or attempting to commit the offense:

a. Battery, substantial battery, aggravated battery (940.19);

b. Battery, substantial battery, aggravated battery to unborn child (940.195);

c. Battery: special circumstances (e.g. battery by prisoners) (940.20);

d. Battery or threat to witnesses (940.201);

e. Battery or threat to judge (940.203);

f. First- or second-degree sexual assault (940.225(1) or (2)(a)) (Note: already excluded under Joint Finance);

g. False imprisonment (940.30);

h. Kidnapping (940.31);

i. Arson of buildings, damage of property by explosives (943.02);

j. Burglary (943.10(2));

k. Operating vehicle without owner's consent (943.23(1g)); and
l. Robbery (943.32(2)).

3. CONVERSION OF UNIT SUPERVISOR POSITIONS

Require the Director of the Office of State Employee Relations to reclassify unit supervisor positions to teacher positions after receiving notice from the Department of Corrections that a unit supervisor position in the Division of Adult Institutions has become vacant.

DISTRICT ATTORNEYS

1. PUBLIC BENEFITS FEES FOR DISTRICT ATTORNEYS

	Chg. to JFC
GPR	- $18,279,400
SEG	18,279,400
Total	$0

Specify that the additional public utility assessments for the public benefits fund be used for salaries and fringe benefits for district attorney offices rather than Wisconsin Works. Provide $9,139,700 SEG annually and reduce funding by $9,139,700 GPR annually for salaries and fringe benefits for district attorney offices. Create a new segregated salaries and fringe benefits appropriation funded from the public benefits fund. Delete this appropriation on June 30, 2011, and for the purposes of establishing the 2011-13 biennial budget, require the Department of Administration to consider base level funding for district attorneys as $9,139,700 GPR higher than the amounts in the schedule.

Under AB 75, as amended by Joint Committee on Finance action, the Department of Administration would be required to ensure that electric utilities charge customers an additional $9,139,700 SEG-Rev annually for deposit into the public benefits fund for maintenance of effort in the Wisconsin Works program. The Department would include in its calculation of low-income assistance fees the collection of this additional amount. These additional fees would not be subject to the current caps, which specify that a customer may not be assessed more than the lesser of 3% or $750 per monthly bill. The fee applies only for the 2009-11 biennium.

EMPLOYMENT RELATIONS COMMISSION

1. ADDITIONAL ARBITRATION WEIGHT FACTOR

Provide that the following factor be added to the "other factors" that must be considered by an arbitrator or arbitration panel in rendering arbitration awards involving municipal employers and employees, including school districts employers and employees: Any funding limitation, funding authority, or funding source when raised by the parties in the arbitration.

Under current law, the factors an arbitrator is required to give weight to include the following:

a. The lawful authority of the municipal employer.

b. The stipulations of the parties.

c. The interests and welfare of the public and the financial ability of the unit of government to meet the costs of any proposed settlement.

d. A comparison of wages, hours, and conditions of employment of the municipal employees involved in the arbitration proceedings with the wages, hours, and conditions of employment of other employees performing similar services, with other employees generally in public employment in the same community and in comparable communities, and with other employees in private employment in the same community and in comparable communities.

e. The cost-of-living.

f. The overall compensation presently received by the municipal employees, including direct wage compensation, vacation, holidays and excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment, and all other benefits received.

g. Changes in any of the foregoing circumstances while arbitration proceedings are pending.

h. Other factors normally and traditionally considered in collective bargaining in the public service or in private employment.

Under current law, an arbitrator must give greatest weight to any state law or directive lawfully issued by a state legislative or administrative officer, body, or agency which places limitations on expenditures that may be made or revenues that may be collected by a municipal employer, and give greater weight to economic conditions in the jurisdiction of the municipal employer. After consideration is accorded to these greatest- and greater-weight factors, an arbitrator is required to give weight to the other factors listed above. Under Joint Finance, decisions involving a collective bargaining unit consisting of school district employees would

be exempt from the current law provisions specifying that an arbitrator consider the greater- and greatest-weight factors. The greatest and greater weights would continue to apply to decisions involving collective bargaining units for other general municipal employees who are not school district employees, and the other current law weighting factors would still apply to decisions involving any municipal employees, including school district employees.

2. FUND BALANCES NOT TO BE WEIGHTED IN SCHOOL DISTRICT ARBITRATION DECISIONS

Specify that an arbitrator or arbitration panel may not give weight to accumulated fund balances in an arbitration decision involving a collective bargaining unit consisting of school district employees. Provide that if the decision is in the favor of the labor union, the employer may not use any accumulated fund balance for employee salaries or fringe benefits.

GENERAL PROVISIONS

1. CONTRIBUTORY NEGLIGENCE

Delete provisions of Joint Finance related to contributory negligence and jury instructions in civil actions involving contributory negligence.

Under Joint Committee on Finance action, statutory language would have been modified to provide that contributory negligence does not bar recovery in actions to recover damages for negligence resulting in death or in injury to person or property, if that negligent was not greater than the combined negligence of all of the persons against whom recover is sought who are liable in tort to the person recovering and of any person with whom the person recovering has settled, but any damages allowed are diminished in proportion to the amount of negligence attributed to the person recovering. The Committee's provision would have specified that, except for persons who have settled with the plaintiff, no comparison of negligence may be made between the plaintiff and the negligence of any person who is not a party to the action to recover damages. Further, the Committee provision would have maintained a threshold for the application of joint and several liability, but reduce the threshold percentage from the current law 51% of causal negligence to 20% causal negligence. The Committee would have also retained the Governor's provision that, in civil actions involving contributory negligence, the court must explain to the jury the effect on awards and liabilities of the percentage of negligence found by the jury to be attributable to each party.

2. PAYMENT OF A POLICE OFFICER'S SALARY AFTER DISCHARGE IN A FIRST CLASS CITY

Modify the current law provision regarding payment of salary and benefits in a first class city to a member of the police force after the member has been discharged or suspended by permitting the municipality to discharge a member without pay or benefits. Under current law, a member of the police force may not be discharged or suspended without pay or benefits until the discharge or suspension is disposed of by the board of fire and police commissioners or the time for appealing the discharge or suspension has passed. The pay and benefits of suspended members would not be affected by this modification. In addition, repeal the current law provision providing that a member of the police force is not entitled to any salary or wages pending an appeal to the board of fire and police commissioners of the member's discharge or suspension if felony criminal or Class A or B misdemeanor charges are also pending against the officer, and if the charges arose out of the same conduct or incident that serves as the basis for the discharge or suspension.

3. RECORDING OF TIME-SHARE LICENSES

Specify that the current law requirement that a contract or instrument evidencing the purchase of a time-share is not valid unless it is recorded, does not apply to a contract or instrument evidencing the purchase of a time-share agreement (the right to occupy a time-share unit under a license or lease agreement).

4. POSTINGS IN THE OFFICIAL STATE NEWSPAPER

Delete provision that would have specified that legal notices be posted on agency and constitutionally recognized office websites rather than in the official state newspaper.

5. TENANT PROTECTIONS IN FORECLOSURE ACTIONS

Modify current law related to tenant protections in foreclosure actions as follows:

a. If the eviction seeks to remove a tenant whose tenancy was terminated as a result of foreclosure judgment and sale, the complaint must identify the actions as an eviction due to a foreclosure action.

b. Specify that tenants may not be named as parties in foreclosure actions unless the tenant has a lien or ownership interest in the property;

c. Specify that if a plaintiff names a tenant in a foreclosure action when the tenant does not have an interest other than as a tenant, the court must award the tenant who should not have been named as a defendant $250 civil and damages, plus reasonable attorney fees.

d. Delete the provision requiring exclusion of tenant information related to foreclosure actions from the public access Circuit Court website. Instead, specify that in an action for

foreclosure of a residential property, the complaint may not name a tenant as a defendant unless the tenant has a lien or ownership interest in the property.

Specify that the provisions would first apply to actions commenced on the effective date of the bill.

6. TECHNICAL MODIFICATIONS TO JOINT FINANCE

Make minor technical and grammatical modifications to Joint Finance identified by the Legislative Reference Bureau and Legislative Fiscal Bureau.

GOVERNMENT ACCOUNTABILITY BOARD

1. REIMBURSEMENT OF CERTAIN LOCAL ELECTION ADMINISTRATION COSTS

Delete the sunset of the municipal reimbursement program which reimburses municipalities for additional costs incurred to adjust polling hours to begin at 7 a.m., at any election held after April 29, 2006. [Under Joint Finance, the program would have sunset with respect to municipal claims filed in connection with elections held on or after June 30, 2011.] Convert the election-related cost reimbursement GPR sum sufficient appropriation to a biennial appropriation. If submitted claims under the program exceeded the authorized expenditure authority in the appropriation for the biennium, the Board would have to seek additional funding under s. 13.10 or through separate legislation.

2. CONVERSION OF INVESTIGATIONS GPR SUM SUFFICIENT APPROPRIATION

Convert the investigations GPR sum sufficient appropriation to an annual appropriation. The appropriation authorizes the Government Accountability Board to expend GPR for the purpose of financing the costs of investigations authorized by the Board for alleged violations of state election laws, ethics laws, lobbying laws, and campaign finance laws. As a sum sufficient appropriation, the Board is not limited to expending the amounts identified in the Chapter 20 schedule for the appropriation ($31,100 GPR annually under Joint Finance). Rather, the Board is authorized to expend the amounts necessary to accomplish these purposes. The amount in the Chapter 20 schedule represents an estimate of these costs that may be incurred by the Board. Converting the appropriation to an annual appropriation would limit the Board to expending no more than $31,100 GPR annually for investigation costs, or seeking additional funding under s. 13.10 or through separate legislation if costs exceed this amount.

INVESTMENT BOARD

1. INVESTMENT BOARD USE OF INTERNS

Provide that State of Wisconsin Investment Board (SWIB) employees may disclose information to other investment board employees who are also students participating in a program in the School of Business at the University of Wisconsin-Madison related to applied securities analysis, or participating in a comparable program, if the only use of the information unrelated to SWIB purposes would be for purposes related to the program. Under current law, no state public official may intentionally use or disclose information gained in the course of or by reason of his or her official position or activities in any way that could result in the receipt of anything of value for himself or herself, for his or her immediate family, or for any other person, if the information has not been communicated to the public or is not public information. The amendment would provide an exception to this provision relating to SWIB's work with student interns.

LEGISLATURE

1. PROTECTIVE OCCUPATION NORMAL FORM ANNUITY ACTUARIAL STUDY

	Chg. to JFC
GPR	$5,000

Provide $5,000 in 2009-10 to the Joint Legislative Council appropriation account for contractual studies and request the Joint Survey Committee on Retirement Systems to contract for an actuarial study of the impact on the Wisconsin Retirement System (WRS) of increasing the initial amount of the normal form annuity from 65% of final average earnings to 70% of final average earnings for protective occupation participants who receive social security benefits and to report its findings to the Legislature before July 1, 2010.

Under current law, for a WRS participant who has reached normal retirement age, the individual's initial formula-based annuity is determined by multiplying together the number of years of creditable service earned; the participant's monthly final average earnings amount; and the appropriate formula factor for the participant's employment classification. The resulting normal-form annuity amount may not exceed 70% of the participant's final average earnings figure, except that for protective employees the annuity amount may not exceed 65% for those

participants covered by Social Security or 85% for those participants not covered by Social Security. [A second annuity option, the money purchase annuity option provides that if an employee's total accumulation account, when supplemented by an equal amount from the employer accumulation account, would purchase a larger annuity than would result from a formula benefit annuity, the higher money purchase annuity will be paid. Money purchase annuities are not subject to the maximum initial annuity limitations that apply to formula benefit annuities.]

OFFICE OF STATE EMPLOYMENT RELATIONS

1. COLLECTIVE BARGAINING RIGHTS FOR UW SYSTEM RESEARCH ASSISTANTS

Provide University of Wisconsin System (UW System) research assistants with the right to collectively bargain over wages, hours, and conditions of employment, if the research assistants affirmatively vote to be represented. Provide that collective bargaining units for research assistants would be structured with three separate collective bargaining units: (a) research assistants of the University of Wisconsin-Madison and the University of Wisconsin-Extension; (b) research assistants of the University of Wisconsin-Milwaukee; and (c) research assistants of the Universities of Wisconsin-Eau Claire, Green Bay, La Crosse, Oshkosh, Parkside, Platteville, River Falls, Stevens Point, Stout, Superior and Whitewater.

Provide that these bargaining units may be combined with each other but not with faculty or academic staff bargaining units.

Define a research assistant as a graduate student enrolled in the University of Wisconsin System who is receiving a stipend to conduct research that is primarily for the benefit of the student's own learning and research and which is independent or self-directed, mentored by a faculty or academic staff member. A research assistant would not include students provided fellowships, scholarships, or traineeships which are distributed through other titles such as Advanced Opportunity Fellow, Fellow, and Trainee. Provide that research assistants may not be assigned by the Wisconsin Employment Relations Commission (WERC) to bargaining units under SELRA other than the units specified above. Provide that it is not an unfair labor practice for the Board of Regents to make changes in compensation or conditions of employment at one institution and not for those at other institutions, provided it is based on comparisons of compensation and working conditions or other competitive factors.

REGULATION AND LICENSING

1. CHIROPRACTIC INSURANCE CLAIMS

Specify that, if a chiropractor waives all or a portion of a patient's copayment, coinsurance, or deductibles due to the chiropractor, the chiropractor may not seek payment from the insurer for any portion of that waived amount, *unless the claim for the services related to the copayment, coinsurance or deductible are reduced by an equal amount*. Specify that if this provision is violated, that the chiropractor must refund the insurer for all payments received from the insurer on the day on which the patient's payment was waived or reduced *or* for the course of treatment for which the patient's payment was waived or reduced.

Under Joint Finance, if a chiropractor waives all or a portion of a patient's copayment, coinsurance, or deductibles due to the chiropractor, the chiropractor may not seek payment from the insurer for any portion of that waived amount. Under the bill, as amended, a chiropractor that violates this provision must refund the insurer for all payments received from the insurer on the day on which the patient's payment was waived or reduced *and* for the course of treatment for which the patient's payment was waived or reduced.

HEALTH SERVICES AND INSURANCE

HEALTH SERVICES -- MEDICAL ASSISTANCE

1. COUNTY NURSING HOMES -- SUPPLEMENTAL PAYMENTS

	Chg. to JFC
SEG-REV	- $4,080,000
GPR	$6,000,000
FED	4,080,000
SEG	- 4,080,000
Total	$6,000,000

Increase, from $37,100,000 to $40,100,000, the annual amount of funding budgeted for DHS to provide as supplemental MA payments to municipally-owned nursing homes. Provide $3,000,000 ($3,000,000 GPR, $2,113,500 FED and -$2,113,500 SEG) in 2009-10 and $3,000,000 ($3,000,000 GPR, $1,966,500 FED and -$1,966,500 SEG) in 2010-11 to reflect the net cost of this item. Reduce estimates of SEG revenue to the MA trust fund by $2,113,500 in 2009-10 and by $1,966,500 in 2010-11 to reflect estimated reductions in revenue that would be generated from the certified public expenditure (CPE) program. These revised estimates are based on lower anticipated operating deficits at municipally-owned nursing homes associated with the higher supplemental payments.

Under current law, DHS may distribute up to $37,100,000 (all funds) annually to municipally-owned nursing homes (primarily county-owned nursing homes) and managed care organizations that serve MA-funded nursing home recipients to reduce these facilities' operating deficits. DHS makes these payments with a combination of GPR and FED matching funds budgeted for MA benefits. This amendment would require DHS to provide an annual supplemental payment of $40,100,000.

2. COUNTY SHARE OF COSTS OF CARE FOR CHILDREN AND ELDERLY PATIENTS AT THE MENTAL HEALTH INSTITUTES

	Chg. to JFC
GPR	$2,597,600

Provide $1,301,300 in 2009-10 and $1,296,300 in 2010-11 to permit counties to benefit from the enhanced federal medical assistance percentages (FMAPs) that apply under the American Recovery and Reinvestment Act of 2009 (ARRA) as it relates to DHS charges for the care of children and elderly patients at the state mental health institutes (MHIs). Require DHS to calculate the counties' share of these costs by using the FMAP that is applicable when the service is provided. Currently, the GPR savings assumed in the substitute amendment reflect the assumption that DHS would retain the additional federal matching funds associated with the enhanced FMAPs. Allowing counties to retain the benefit from the enhanced federal matching rate would reduce county costs incurred for care provided to individuals at the MHIs in the 2009-11 biennium.

In addition, modify the provisions relating to the emergency detention of individuals by permitting a law enforcement officer or other person authorized to take an individual into custody to transport the individual to a treatment facility only if the local county department of community programs in the county in which the individual is detained approves the

individual's detention in the state facility.

Under current law, the county in which an individual is detained is responsible for paying for the cost of care provided during the first 72 hours following the emergency detention. The substitute amendment would require that for all emergency detentions at the MHIs, the county of residence must approve the individual's detention. This amendment would require the local county in which the individual is detained to approve an emergency detention rather than the individual's county of residence. Further, this amendment would apply to all emergency detentions.

3. NURSING HOME SUPPLEMENTAL PAYMENT -- TREMPEALEAU COUNTY IMD

	Chg. to JFC
GPR	$295,700

Provide $138,600 in 2009-10 and $157,100 in 2010-11 in one-time funding for DHS to reimburse the Trempealeau County Health Care Center facility for the cost that facility incurs for paying the nursing home bed assessment. Create an appropriation for the purpose of making supplemental payments to this facility, and repeal the appropriation effective July 1, 2011. Under the substitute amendment, all 77 licensed nursing home beds would be subject to a monthly assessment of $150 per bed per month in 2009-10 and $170 per bed per month in 2010-11.

Trempealeau County Health Care Center is a licensed institute of mental disease (IMD) and provides diagnosis, treatment or care for individuals with mental diseases, including medical care, nursing care and related services. Federal law prohibits states from covering IMD services under their MA programs for individuals between the ages of 22 to 65, but Wisconsin provides state funding (GPR funds) for counties to support a portion of the costs of the care for this population through the nursing home reimbursement formula.

The intent of the nursing home bed assessment is to generate non-GPR revenue to fund increases in MA rates for nursing homes. The substitute amendment provides funding to support a 2% increase in 2009-10 and an additional 2% increase in 2010-11. In addition, the substitute amendment would increase reimbursement rates to nursing home facilities to offset the additional costs they would incur to pay the increase in assessments. However, since most of the services provided to residents at Trempealeau County Health Care Center are not eligible for reimbursement through the state's MA program, the facility would not benefit from the proposed reimbursement increase.

4. FAMILY CARE EXPANSION -- LANGLADE COUNTY

	Chg. to JFC
GPR	- $96,800
FED	295,600
PR	323,000
Total	$521,800

Provide $37,900 ($27,300 GPR and $10,600 FED) in 2009-10 and $483,900 (-$124,100 GPR, $285,000 FED and $323,000 PR) in 2010-11 to reflect the net cost of expanding the Family Care program to Langlade County six months earlier than the proposed implementation date assumed in the substitute amendment. Require DHS to begin offering services provided by an

aging and disability resource center (ADRC) in May, 2010, and Family Care benefits provided by a managed care organization (MCO) starting in July, 2010.

Funding for the expansion of the Family Care program is supported with: (a) additional state and federal MA funding; (b) reallocation of base funds that currently support MA fee-for-service payments and MA waiver services; and (c) county funds, including community aids and revenue from the county tax levy. The substitute amendment includes funding for the expansion of Family Care in 22 additional counties in the 2009-11 biennium, including Langlade County, and is based on a projected implementation schedule developed by DHS. Currently, Langlade County is expected to begin offering ADRC services beginning in November, 2010, with Family Care benefits provided by an MCO becoming available beginning January, 2011.

5. CREATE NEW ELIGIBILITY CATEGORY FOR COVERAGE UNDER THE BADGERCARE PLUS BENCHMARK PLAN

Provide that an individual is eligible to purchase coverage under the BadgerCare Plus benchmark plan for himself or herself and for his or her spouse and dependent children, at the full per member per month cost of coverage, if all of the following apply: (a) the individual lost his or her employer-sponsored health care coverage as a result of his or her employer's or former employer's bankruptcy; (b) after losing his or her employer-sponsored health care coverage, the individual received health care coverage through a voluntary employment benefit association that was established before August 2006; (c) the individual is not otherwise eligible for coverage under BadgerCare Plus; and (d) the individual is under 65 years of age.

BadgerCare Plus provides health care coverage to its members under two different plans: (a) the standard plan, which provides essentially the same level of coverage as the state's previous medical assistance program; and (b) the benchmark plan, which provides more limited benefits and includes higher cost-sharing features.

Under current law, children under age 19, parents and caretaker relatives of children, and pregnant women, among others, are eligible for health care coverage under BadgerCare Plus if they satisfy non-financial and financial eligibility factors. With respect to the latter, adults, with the exception of pregnant women for whom a higher threshold applies, are eligible for BadgerCare Plus only if their family income does not exceed 200% of the federal poverty level (FPL). Children are eligible for BadgerCare Plus regardless of their family income, but children in families with income greater than 300% of the FPL are eligible only for the benchmark plan, and only if they pay the full per member per month cost of coverage.

The amendment would establish a new eligibility category for coverage under BadgerCare Plus, as set forth above. Individuals who satisfy the new eligibility criteria would not be subject to the program's other eligibility criteria, but would be required to pay their full per member per month cost for coverage under the benchmark plan.

6. REQUIRE DHS TO IMPLEMENT QUALITY OF CARE IMPROVEMENTS

Require all managed care organizations that serve MA recipients to do all of the following, beginning January 1, 2010: (a) provide or contract with a prenatal care coordination program, and require all pregnant MA recipients to be enrolled in such a program; (2) assign a primary care provider for each MA enrollee, and provide that primary care provider a monthly per patient payment for care coordination services; and (3) have a chronic disease management and case coordination program in place for every patient diagnosed with diabetes, asthma, congestive heart failure, coronary artery disease, and a primary or secondary behavioral health diagnosis, including substance abuse and depression. In addition, require DHS to expand the use of special needs programs to provide case management services for children with medically complex conditions. Delete provisions in the substitute amendment that would require DHS to submit a study of these proposals. Other study requirements in the substitute amendment added by the Joint Committee on Finance would be retained.

7. PODIATRY SERVICES

Require DHS to provide coverage of podiatry services for individuals enrolled in the childless adults demonstration project.

8. FOODSHARE EMPLOYMENT AND TRAINING PLAN

Require DHS to work with Portage, Adams, Wood, and Milwaukee Counties to modify the state's FoodShare employment and training (FSET) plan in those counties for the purpose of increasing federal funding the state receives under the program.

HEALTH SERVICES -- PUBLIC HEALTH

1. MILWAUKEE DENTAL CLINIC GRANT

	Chg. to JFC
GPR	$600,000

Provide $600,000 in 2009-10 as a one-time grant to Milwaukee Health Services, Inc., for dental services and equipment at a clinic that has an address with the ZIP code 53218. Create an appropriation in DHS for this purpose, and repeal the appropriation, effective July 1, 2010. Milwaukee Health Services, Inc. is a federally qualified health center that operates two clinics in the City of Milwaukee.

2. DIABETES PREVENTION AND CONTROL TARGETING NATIVE AMERICAN POPULATIONS

	Chg. to JFC
PR	$50,000

Create an annual appropriation to provide $25,000 annually in tribal gaming revenue to support activities in the Wisconsin diabetes prevention and control program (DPCP) that are targeted to Native American populations. The DPCP performs several functions, including designing population-based community interventions and health communications, engaging in outreach to high-risk populations, conducting surveillance and evaluation of the burden of diabetes, and coordinating efforts through the Wisconsin diabetes advisory group. Another item, summarized under "Children and Families," would reduce a local assistance appropriation supported by tribal gaming revenues in the Department of Children and Families by $25,000 annually.

3. ONE-TIME GRANT -- HUMAN CONCERNS OF SOUTH MILWAUKEE

	Chg. to JFC
GPR	$5,000

Provide $5,000 for a one-time grant in 2009-10 to the Human Concerns of South Milwaukee Food Pantry. This grant would be administered by the Department of Administration, along with several other one-time grants in the substitute amendment provided to the Wisconsin Indianhead Technical College, the Love Incorporated Food Bank, the Union Grove Food Bank, the Rio Food Pantry, the Lodi Food Pantry, the City of Racine, and the Friends of Beckman Mill Park.

4. AIDS/HIV PROGRAMS -- BLACK HEALTH COALITION OF WISCONSIN, INC.

Require DHS to provide a one-time grant of $100,000 FED in 2009-10 to the Black Health Coalition of Wisconsin, Inc., to provide HIV infection outreach, education, referral and other services. The source of this grant would be federal funds the state receives under Part B of the Ryan White Comprehensive AIDS Resources Emergency Act.

5. PATIENT HEALTH CARE RECORDS -- INDEXING FEES

Provide that the fees for medical records that would be set in statute by the substitute amendment would be adjusted annually, beginning January 1, 2011, to reflect changes in the consumer price index for all urban consumers (CPI-U), U.S. city average, as published by the U.S. Bureau of Labor Statistics. Require DHS to determine the annual fee increases, and publish the applicable amounts on its Internet website by December 15 of the previous year. Currently, the fees that a health care provider may charge for copies of medical records are set in administrative rule, and DHS is required to revise these rules every three years to account for increases or decreases in actual costs.

The substitute amendment establishes new fees that a health care provider may charge for medical records (among other changes relating to access to patient health care records), but contains no provisions for the adjustment of these fees in the future.

6. PATIENT HEALTH RECORDS -- ACCESS TO RECORDS

Modify provisions in the substitute amendment relating to access to health care records as follows.

First, modify the current statutory definition of a "person authorized by the patient," as it relates to health care record access and fees, to remove any person authorized in writing by the patient from the current definition, and to include the patient's personal representative, which would be defined as a person who qualifies as a personal representative under 45 CFR 164.502 (g). Consequently, the time periods by which providers would need to provide access and produce copies of records would not apply to persons authorized in writing by the patient, and would only apply to the patient, specific persons listed under current law, and the patient's personal representative. In addition, one set of fees would apply to requests from patients, specific persons listed under current law, and the patient's personal representatives; another set of fees would apply to requests from other individuals.

Second, require a provider to: (a) make records available for inspection within 30 days, rather than 21 days, after receiving notice from the patient or person authorized by the patient; (b) provide authorized copies of the requested records within 30 days, rather than 21 days after receiving the request.

7. MAXIMUM FEE FOR EXPEDITED ISSUANCE OF A MARRIAGE LICENSE

Increase the maximum allowable fee for expedited issuance of a marriage license from $10 to $25. Specify that the increase would first apply to marriage license applications that are submitted to county clerks on the bill's general effective date. Currently, no marriage license may generally be issued within five days of application. However, a county clerk may, at his or her discretion, issue a marriage license in less than five days if the applicant pays an additional fee of up to $10 to cover any increased processing cost incurred by the county. This fee increase would have no effect on state revenues, as the fee for expedited issuance is paid into the county treasury.

8. EXEMPTION FROM LIFEGUARD STAFFING REQUIREMENT

Prohibit DHS from requiring that a swimming pool be staffed by a lifeguard as a condition of receiving a permit to maintain, manage or operate the pool if the following criteria are met: (a) the pool in less than 2,500 square feet; (b) the pool is located in a private club in the City of Milwaukee; and (c) the club has a policy that prohibits a minor from using the swimming pool when not accompanied by an adult.

Currently, DHS, or a local health department granted agent status, regulate and issue permits to public swimming pools. No person or state or local government may conduct, maintain, manage or operate a swimming pool without being issued a permit. Current administrative rules requires pools with a surface area of 2,000 square feet or more to be staffed

with a certain number of lifeguards (based on pool size, pool type, and number of patrons) when the pool is in use or is open to the public. This provision would exempt a pool that meets the criteria in the first paragraph from these staffing requirements.

INSURANCE

1. HEALTH INSURANCE COVERAGE -- COVERAGE REQUIREMENT FOR DEPENDENTS

Delete the provisions in the substitute amendment that would require health insurance policies that provide coverage for a person as a dependent of an insured to provide dependent coverage for a child of an insured unless: (a) the child is 27 years of age or older; (b) the child is married; (c) the child has other health care coverage; (d) the child is employed full time and his or her employer offers health care coverage to its employees; or (e) coverage of the insured through whom the child has dependent coverage under the policy or plan is discontinued or not renewed. Under the substitute amendment, these requirements would take effect on the first day of the seventh month beginning after the bill's publication.

Instead, incorporate the provisions of 2009 SB 70 into the substitute amendment, which are described below.

Coverage of Dependents. Require all commercial health insurance policies, and all self-insured governmental health plans to offer and provide (if so requested by an insured or an applicant) coverage for an adult child of the insured or applicant, if the child satisfies all of the following criteria:

a. The child is over 17 but less than 27;

b. The child is not married; and

c. The child is not eligible for coverage under a group health benefit plan that is offered by the child's employer, and for which the child's premium contribution is not greater than the premium amount for his or her coverage as a dependent under this provision.

Additionally, an adult child would be eligible for coverage as a dependent if he or she meets all the following criteria: (a) the child is a full-time student, regardless of age; (b) the child meets the criteria under (b) and (c) of the previous paragraph; (c) the child was called to federal active duty in the national guard or in a reserve component of the U.S. armed forces while attending an institution of higher education on a full-time basis; and (d) the child was under 27 years of age when called to federal active duty.

Determination of Premiums. Require an insurer or self-insured governmental health plan to determine the premium for coverage of a dependent who is over 18 years of age on the same basis as the premium is determined for coverage of a dependent who is 18 years of age or younger. Permit an insurer or self-insured governmental health plan to require that an applicant or insured seeking coverage of a dependent child provide written documentation, initially and annually thereafter, that the dependent child satisfies the criteria for coverage.

Effective Date and Initial Applicability. The new requirements would take effect on the first day of the seventh month beginning after the bill's publication. However, the requirements would first apply to: (a) health polices that are issued or renewed, and governmental or school district self-insured health plans that are established, extended, modified, or renewed, on that date; (b) health policies covering employees who are affected by a collective bargaining agreement containing provisions inconsistent with these requirements that are issued or renewed on the earlier of the day on which the collective bargaining agreement expires, or the day on which the collective bargaining agreement is extended, modified, or renewed (after the effective date); and (c) governmental or school district self-insured plans covering employees who are affected by a collective bargaining agreement containing provisions that are inconsistent with these requirements that are established, extended, modified, or renewed on the earlier of the day on which the bargaining agreement expires or the day on which the collective bargaining agreement is extended, modified or renewed.

NATURAL RESOURCES AND COMMERCE

AGRICULTURE, TRADE AND CONSUMER PROTECTION

1. ANIMAL HEALTH STAFFING

Repeal the appropriation, effective July 1, 2011, for animal health inspections, testing and enforcement created from the segregated agrichemical cleanup program (ACCP) fund.

Under the substitute amendment, DATCP is appropriated $230,000 SEG in 2009-10 and $310,000 SEG beginning in 2010-11 with 4.0 positions for animal health inspection, testing and enforcement. This provision would make that a one-time appropriation in the 2009-11 biennium.

COMMERCE

1. RENEWABLE ENERGY GRANT AND LOAN PROGRAM LAPSE

	Chg. to JFC
SEG	$14,850,000

Restore $14,850,000, SEG in 2010-11 in the renewable energy grant and loan program, and require Commerce to lapse that amount to the general fund, rather than lapse the amount from the recycling and renewable energy fund. As a result, base level funding for the renewable energy grant and loan program in 2011-12 would be $14,850,000.

2. GRANT TO PLEASANT PRAIRIE TECHNOLOGY INCUBATOR CENTER

Require Commerce, in the 2011-13 biennium, and no later than July 31, 2011, to make a grant of $700,000, from the Wisconsin Development Fund to the Pleasant Prairie Technology Incubator Center, if the Center obtains equal matching funds of $700,000. The Center would be required to enter into an agreement with Commerce that specified conditions for use of the proceeds of the grant, including reporting and auditing requirements, and to submit to the Department, within six months after spending the full amount of the grant, a report detailing how the grant proceeds were used.

3. AREA DEVELOPMENT MANAGER

Direct the Department of Commerce to fill the vacant area development manager position in the Department's region #1 by October 1, 2009. Region #1 includes the counties of Ashland, Barron, Bayfield, Burnett, Chippewa, Clark, Douglas, Dunn, Eau Claire, Iron, Pierce, Polk, Rusk, Sawyer, St Croix, and Washburn.

NATURAL RESOURCES

1. MUNICIPAL AND COUNTY RECYCLING GRANT PROGRAM

	Chg. to JFC
GPR-Transfer	$5,000,000
SEG-REV	$5,000,000
SEG	$5,000,000

Transfer $2,500,000 from the general fund to the recycling and renewable energy fund, in each year, on a one-time basis during the 2009-11 biennium. Provide $2,500,000 recycling and renewable energy fund SEG annually for the municipal and county recycling grant program. This would provide a total of $31,598,100 in 2009-10 and $32,598,100 beginning in 2010-11. The program is appropriated $31,000,000 SEG in 2008-09. (The administration transferred $3,100,000 of the 2008-09 appropriation to the general fund as part of 2007-09 budget deficit reduction measures, and awarded $27,900,000 in grants to local governments.) Under the substitute amendment, the program is appropriated $29,098,100 in 2009-10 and $30,098,100 in 2010-11.

2. TIPPING FEES FROM CONSTRUCTION LANDFILLS

	Chg. to JFC
SEG-REV	$1,094,500
PR-REV	500
Total	$1,095,000

Require owners of construction landfills to pay solid waste tipping fees for waste materials generated from the construction, demolition, or razing of buildings, effective with waste disposed of on or after January 1, 2010. A construction landfill would be defined as a solid waste disposal facility that accepts construction and demolition waste, which would include solid waste resulting from the construction, demolition or razing of buildings, roads and other structures. (This would be the same as the current definition in administrative code NR 500.03 (50).) Waste disposed of at construction landfills from the construction, demolition or razing of buildings would become subject to tipping fees, and waste disposed of at these landfills from the construction, demolition or razing of roads and other structures would remain exempt from tipping fees.

Currently, construction and demolition waste that is disposed of at licensed landfills is subject to state solid waste tipping fees. Waste at construction landfills, generally with a capacity of 250,000 cubic yards or less, that accept only construction and demolition waste, are not required to obtain a landfill license from DNR, are not required to report about the amount

of waste disposed of at these landfills, and are not required to pay state tipping fees. However, construction and demolition waste landfills are required to meet requirements under administrative code for initial site inspection, operation plan, design, closure, and long-term financial responsibility. DNR is aware of 21 small (capacity of 50,000 cubic yards or less) and five intermediate (at least 50,000 cubic yards but no more than 250,000 cubic yards) construction and demolition waste landfills under the current administrative rule definition. While accurate data on the total number of tons of construction and demolition waste disposed of at these landfills is not available, the amount could be estimated at perhaps 100,000 to 200,000 tons per year.

It is uncertain what portion of construction and demolition waste disposed of at construction landfills under the current administrative rule definition results from the construction, demolition or razing of buildings and what portion of the waste results from the construction, demolition or razing of roads and other structures. If, perhaps half of the this waste is generated from the construction, demolition or razing of buildings, the amount of waste that might become subject to tipping fees under the provision could be estimated at perhaps 75,000 tons per year. However, the actual amount may vary considerably, depending on the actual amount of tons that would be reported to DNR.

The provision would make the waste from construction, demolition or razing of buildings that is disposed of at construction landfills subject to $12.847 per ton of the $12.997 per ton in state solid waste fees assessed under the substitute amendment. The provision would not require licensing of construction landfills. Thus, these landfills would not be subject to the $0.15 per ton landfill license surcharge assessed to licensed landfills under administrative code NR 520.04 (1)(d).

Based on an estimate of 75,000 tons becoming subject to state tipping fees, the proposal may generate revenue of approximately $1,095,000, including $131,500 SEG in 2009-10 and $963,000 SEG and $500 PR in 2010-11. This is shown in the following table.

Potential Solid Waste Tipping Fees from Waste from Construction, Demolition or Razing of Buildings

Fee	Type	Fee Amount -- Joint Finance	Revenue 2009-10	Revenue 2010-11
Recycling Fund	SEG	$7.00	$131,500	$525,000
Environmental Management Account	SEG	2.64*	0	198,000
Nonpoint Account	SEG	3.20	0	240,000
Solid Waste Facility Siting Board	PR	0.007	0	500
Total		$12.847	$131,500	$963,500

* The $2.64 for the environmental management account includes $2.50 for environmental repair, $0.10 for groundwater, and $0.04 for well compensation.

3. DISPOSAL OF ASH AFTER PRACTICE BURNS OF STRUCTURES

Prohibit DNR from requiring that ash resulting from the burning of a structure for practice or instruction of fire fighters or the testing of fire equipment be disposed of in a landfill licensed by DNR. (The provisions of 2009 AB 87.) Currently, administrative code NR 502.11 (2)(c) requires that when a structure is burned for practice and instruction of fire fighters or testing of fire fighting equipment, the ash from the burned structure must be disposed of, when cool, in a landfill approved by DNR. The amendment would negate this rule. NR 502.11 (2)(c) also authorizes the Department to approve alternate ash disposal sites if groundwater and surface water quality will not be affected. DNR's fiscal note to AB 87 estimated the provision would reduce the amount of waste disposed of in Wisconsin landfills by approximately 3,200 tons annually. This could reduce state tipping fee revenue up to $41,000 annually.

4. MILWAUKEE METROPOLITAN SEWERAGE DISTRICT USE OF DESIGN-BUILD PROCESS

Delete the provision in the substitute amendment that would have authorized the Milwaukee Metropolitan Sewerage District (MMSD) to let one contract for a specific project that uses the design-build process, for a project to transform landfill gas into electricity.

5. STEWARDSHIP PUBLIC ACCESS-- NONDEPARTMENTAL LAND

Maintain the current law requirement regarding public access on lands acquired with Warren Knowles-Gaylord Nelson Stewardship program grant funds.

This item deletes the provision in the substitute amendment which would repeal the requirement that any person receiving a stewardship grant to acquire land in fee simple, or acquire land by an easement or other conveyance that was withdrawn from the managed forest law program, must permit public access to the land for hunting, fishing, trapping, hiking, cross-country skiing, and other nature-based outdoor recreation (as defined by administrative rule), unless the Natural Resources board determines that a closure is necessary to: (a) protect public safety; protect a unique plant or animal; or (c) to accommodate usership patterns, as defined by administrative rule. "Nature-based outdoor recreation" has been defined in administrative rule to mean activities where the primary purpose is the appreciation or enjoyment of nature. These activities may include but are not limited to hiking, bicycling, wildlife, or nature observation, camping, fishing, hunting, and multi-use trail activities.

6. CONSERVATION WARDEN OVERTIME

	Chg. to JFC
SEG	- $238,000

Delete $119,000 SEG annually (the amount provided by Joint Finance) related to increased conservation warden overtime. This includes $111,900 conservation fund, $5,500 environmental fund, and $1,600 recycling fund SEG.

7. ONEIDA COUNTY TRAIL CROSSING

Direct DNR to provide $10,000 from the segregated snowmobile enforcement and safety training appropriation to Oneida County to complete a trail safety rail crossing project on Highway 47.

8. FOREST CROP LAW PARCEL TRANSFER

Specify that DNR issue an order, upon request of the owner, continuing the designation of a parcel which is less than 40 acres as forest cropland if all of the following apply: (a) the owner is a non-profit archery club; (b) the parcel was part of a parcel that was enrolled in the forest crop law (FCL) program before January 1, 1968; and, (c) the owner purchased the parcel before January 1, 2009. Specify that the order expire on the date the order enrolling the original parcel would have otherwise expired. Further, specify that no withdrawal tax or withdrawal fee may be assessed on the parcel unless it is withdrawn from the program before the expiration date of the order.

Current law specifies that, for a parcel to remain eligible for the forest crop law program, an owner must either transfer an entire parcel under an order designating the land as forest cropland to another owner or, transfer at least 40 contiguous acres.

9. AQUATIC INVASIVE VOLUNTARY CONTRIBUTION

Specify that "research" is an allowable purpose for which the voluntary contribution for aquatic invasive species control may be used.

The substitute amendment would modify the voluntary contribution that an applicant for a fishing license or the issuance or renewal of a boat registration may make from a $1 contribution associated with a fishing license and a $3 contribution associated with a boat registration to a minimum $2 contribution in both cases. In addition, the purpose for which the voluntary contribution funds may be used would be modified from lake research activities to cost-sharing grants for aquatic invasive species control efforts.

10. CONCENTRATED ANIMAL FEEDING OPERATIONS -- WASTEWATER PERMIT FEES

	Chg. to JFC
GPR-REV	- $150,000
PR-REV	150,000

Specify that the $1,200 fee to be paid by concentrated animal feeding operations (CAFOs) upon initial application or reissuance of a Wisconsin Pollution Discharge Elimination System (WPDES) permit be deposited to a DNR continuing appropriation for general management of the state's water resources. Further, specify that of the $345 annual fee for WPDES-permitted CAFOs, $95 be deposited to the DNR water resources appropriation. Further, delete the requirement that DNR promulgate rules establishing annual WPDES permit fees for CAFOs on the basis of the number of animal units kept at the operation.

WPDES-permitted CAFOs pay an annual fee of $250 under current law. Permits must be renewed every five years. The $250 annual fee would continue to be deposited to the general fund. Increased fee revenues, which are estimated at $75,000 annually, would be deposited to the DNR water resources appropriation.

11. CLEAN SWEEP RESTORATION

	Chg. to JFC Funding	Positions
SEG	$154,400	0.75

Provide $77,200 agrichemical management (ACM) SEG annually with 0.75 position for administration of the clean sweep grant program in a new appropriation under DNR. Further, specify that the incumbent, with all associated employment rights and status be transferred to DNR from the Department of Agriculture, Trade and Consumer Protection.

Under current law, DATCP has $102,900 ACM SEG with 1.0 position for clean sweep administration. Joint Finance restored $750,000 recycling SEG under DNR for clean sweep grants with no administrative funding or positions.

WISCONSIN HOUSING ECONOMIC DEVELOPMENT AUTHORITY

1. HOUSEHOLD ABUSE VICTIMS EMERGENCY NETWORK

	Chg. to JFC
GPR-REV	- $50,000

Reduce the annual transfer of $250,000 to the general fund from WHEDA's unencumbered reserves (surplus) to $225,000 in 2009-10 and 2010-11. Instead, require WHEDA to grant $25,000 each year of the 2009-11 biennium under its Dividends for Wisconsin allocation to the Household Abuse Victims Emergency Network (HAVEN) in Merrill for renovation of a domestic abuse shelter serving Langlade, Lincoln, Taylor, Vilas and Oneida Counties.

TAX POLICY, CHILDREN AND FAMILIES, AND WORKFORCE DEVELOPMENT

CHILDREN AND FAMILIES

1. MILWAUKEE CHILD WELFARE AUDIT

Request the Joint Legislative Audit Committee to direct the Legislative Audit Bureau (LAB) to conduct a performance evaluation audit and a financial audit of the Bureau of Milwaukee Child Welfare, rather than require the LAB to conduct the audits.

2. FOSTER CHILDREN AND FOSTER PARENT BILLS OF RIGHTS

Create a bill of rights for foster children and a bill of rights for foster parents as follows:

Foster Children's Bill of Rights. Beginning January 1, 2010, require the Department of Children and Families (DCF), all county departments of human/social services, and licensed child welfare agencies to respect the following rights of all foster children: (a) to live in a safe, healthy, and comfortable home where he or she is treated with respect; (b) to be free from physical, sexual, emotional, or other abuse or corporal punishment; (c) to receive adequate and healthy food and adequate clothing; (d) to receive medical, dental, vision, and mental health services; (e) to be free from the administration of medication or chemical substances, unless authorized by a physician; (f) to contact family members, unless prohibited by court order; (g) to visit and contact siblings, unless prohibited by court order; (h) to contact DCF, a county department, or a licensed child welfare agency regarding violations of rights, to speak to representatives of those agencies confidentially, and to be free from threats or punishments for making complaints; (i) to make and receive confidential telephone calls and send and receive confidential mail and electronic mail, if electronic mail is available at his or her placement; (j) to attend religious services and activities of his or her choice; (k) to manage personal income, consistent with the child's age and developmental level, unless prohibited by the case plan; (l) to not be locked in any room; (m) to attend school and participate in extracurricular, cultural, and personal enrichment activities, consistent with the child's age and developmental level; (n) to work and develop job skills at an age-appropriate level that is consistent with state and federal law; (o) to have social contacts with people outside of the child welfare system, such as teachers, church members, mentors, and friends; (p) to attend court hearings and speak to the judge; (q) to have storage space for private use; (r) to review his or her own permanency plan if he or she is over 12 years of age and to receive information about his or her permanency plan and any changes to the plan; (s) to be free from unreasonable searches of personal belongings; (t) to have fair and equal access to all available services, placement, care, treatment, and benefits, and to not be subjected to discrimination or harassment on the basis of actual or perceived race, ethnicity, ancestry, national origin, religion, sex, sexual orientation, mental or physical disability, or human immunodeficiency virus status; and (u) at 16 years of age or older, to have access to information regarding the educational options available, including the prerequisites for vocational and postsecondary education options and information regarding financial aid for postsecondary education.

Specify that DCF, a county department, or a licensed child welfare agency must provide the child with a written copy of these rights (a bill of rights) in the child's primary language when a child is placed in a foster home. In addition, the child must be informed of these rights orally using language or means that are age-appropriate and appropriate to the child's developmental level to ensure that the child understands the meaning of these rights.

For children in a foster home placement on December 31, 2009, a written copy of the bill of rights must be provided no later than March 1, 2010.

Foster Parent's Bill of Rights. Beginning January 1, 2010, require DCF, all county departments, and licensed child welfare agencies to respect the following rights of all foster parents: (a) to be treated with dignity, respect, and consideration as a professional member of the child welfare team; (b) to be given training prior to receiving children in the home and appropriate ongoing training to meet the foster parent needs and improve the foster parent's skills; (c) to be informed of how to contact the appropriate agency in order to receive information and assistance to access supportive services for children in the foster parent's care; (d) to receive timely financial reimbursement commensurate with the care needs of the child as specified in the permanency plan; (e) to be provided a clear, written understanding of the child's permanency plan and case plan concerning the placement of a child in the foster parent's home; (f) to be provided a fair, timely, and impartial investigation of complaints concerning the foster parent's licensure, to be provided with the opportunity to have a person of the foster parent's choosing present during the investigation, and to be provided due process during the investigation; (g) to receive information that is necessary and relevant to the care of the child at any time during which the child is placed with the foster parent; (h) to be notified of scheduled meetings and provided with information relating to the child's case management in order to actively participate in the case planning and decision-making process regarding the child; (i) to be informed of decisions made by the court or agency regarding the child; (j) to provide input concerning the child's case plan and to have that input given full consideration in the same manner as information presented by any other professional on the team and to communicate with other professionals who work with the foster child within the context of the team, including therapists, physicians, and teachers; (k) to be given, in a timely and consistent manner, any information a case worker has regarding the child and the child's family which is pertinent to the care and needs of the child and to the making of a case plan for the child; (l) to be given clear instruction on disclosure of information concerning the child and the child's family; (m) to be given reasonable written notice of any changes to the child's permanency plan, plans to remove the child from the placement, and the reasons for removal from the placement, except under circumstances when the child is in imminent risk of harm; (n) to be notified in a timely and complete manner of all court hearings and the rights of the foster parent at the hearing; (o) to be considered as a placement option when a foster child who was formerly placed with the foster parents reenters foster care, if that placement is consistent with the best interest of the child and other children in the home; and (p) to have timely access to any administrative or judicial appeal processes and to be free from acts of harassment and retaliation by any other party when exercising the right to appeal.

Specify that DCF, a county department, or a licensed child welfare agency must provide a foster parent with a written copy of these rights (a bill of rights) in his or her primary language,

if possible, when the foster parent is issued a foster care license or renews a foster care license.

3. BRIGHTER FUTURES

Delete the provision that would have required DCF to distribute $55,000 annually to the Gay Straight Alliance for Safe Schools, Inc., from the amounts appropriated for the Brighter Futures program in counties other than Milwaukee County.

4. AMERICAN INDIAN TRIBAL OUT-OF-HOME CARE

	Chg. to JFC
PR	- $50,000

Reduce funding by $25,000 annually to reflect that Indian gaming revenue that had been appropriated for out-of-home care placements for American Indian tribes in DCF's children and family services' interagency and intra-agency local assistance appropriation would, instead, be appropriated in the Department of Health Services to the Wisconsin diabetes prevention and control program for American Indian populations.

In addition, modify this children and family services' interagency and intra-agency local assistance appropriation to authorize DCF to transfer up to $50,000 annually to the Department of Corrections (DOC) to place American Indian juveniles in out-of-home care. Create a PR continuing appropriation in DOC for receipt of transferred funding. The exact amount transferred in each fiscal year would be determined by the Secretary of the Department of Administration.

5. TANF REVENUE ADJUSTMENTS

	Chg. to JFC
GPR	$18,279,400
SEG	- 18,279,400
Total	$0

Provide $9,139,700 GPR annually and reduce funding by $9,139,700 SEG annually to reflect that additional GPR would replace public benefits funding to support W-2 and TANF-related programs.

6. W-2 60-MONTH TIME LIMIT

Delete the provision that would specify that the total number of months in which an individual or any adult member of the individual's Wisconsin Works (W-2) group receives assistance may not exceed the 60-month federal time limit. Instead, the current law time limit of 60 months based on the length of time an individual participates in a subsidized W-2 employment position or other TANF program would remain.

7. RETAIN LEARNFARE

Delete the provision that would eliminate Learnfare.

8. SUBSIDIZED PRIVATE SECTOR EMPLOYMENT

Create a subsidized private sector employment position program as part of the W-2 program. In addition, create a transitional jobs demonstration project that offers transitional jobs to low-income adults.

Subsidized Private Sector Employment. Effective January 1, 2011, subject to compliance with federal law, require DCF to establish and administer a subsidized private sector employment program, as part of the W-2 program, for work in projects that DCF determines would serve a useful public purpose or projects the cost of which would be partially or wholly offset by revenue generated from such projects. Specify that an individual could participate in a subsidized private sector employment position for a maximum of six months, with an opportunity for an extension. Require participants in subsidized private sector employment positions to be paid benefits, defined as compensation in the form of the state or federal minimum wage, whichever is higher, for each hour actually worked in a subsidized private sector employment position, up to 20 hours per week. In addition, provide a participant in a subsidized private sector employment position a monthly grant of $25.

Require DCF to begin operation of this program only if the DCF Secretary: (a) structures the subsidized private sector employment program in such a manner that the total cost for a participant in the program does not exceed what the total cost would be for the participant in a community service job (CSJ) under W-2; (b) determines that the cash flow to a participant in the subsidized private sector employment program, including the advance payment of any tax credit, is not less than what the cash flow would be to the participant in a CSJ; and (c) determines that administering the subsidized private sector employment program is permitted under federal law or under a waiver of federal law, or an amendment to a waiver, approved by the U.S. Department of Health and Human Services (DHHS) for the operation of W-2.

Specify that if a federal waiver, or an amendment to a waiver, under (c) above, is necessary, that the DCF Secretary must request the waiver, or an amendment to a waiver, from DHHS no later than September 30, 2009, to permit the DCF Secretary to administer the subsidized private sector employment program. Specify that if the DCF Secretary determines that administering the subsidized private sector employment program would require changes to the temporary assistance for needy families (TANF) block grant program, then the DCF Secretary must pursue the necessary changes to the federal legislation.

Require DCF to promulgate rules for the establishment and administration of the subsidized private sector employment program. Authorize DCF to promulgate emergency rules before the effective date of any permanent rules without having to provide evidence that emergency rules would be necessary for the preservation of the public peace, health, safety, or welfare or having to provide a finding of emergency.

Transitional Jobs Demonstration Project. Require DCF to conduct a demonstration project, beginning January 1, 2010, that offers transitional jobs to low-income adults. Specify that in order to be eligible for the demonstration project, an individual must satisfy all of the following criteria: (a) be at least 21 years of age, but not more than 64 years of age; (b) be ineligible for W-

2; (c) have an annual household income below 150% of the federal poverty level; (d) be unemployed for at least four weeks; and (e) be ineligible to receive unemployment insurance benefits.

Require DCF to provide up to 2,500 transitional jobs under the demonstration project. Specify that the jobs must be allocated among Milwaukee County, Dane County, Racine County, Kenosha County, Rock County, Brown County, and other regions of the state, as determined by DCF, in the same proportion as the total number of W-2 participants is allocated among those counties and other regions as of June 30, 2009.

In addition, require DCF to seek federal funds to pay for the cost of operating the demonstration project, and authorize DCF to conduct the project only to the extent that DCF obtains federal funds.

Finally, require DCF to promulgate rules for the operation of the demonstration project.

9. MAXIMUM HOURS FOR CHILD CARE SUBSIDIES

Limit the number of hours that a child may receive child care under Wisconsin Shares to 12 hours per day. However, limit the maximum hours to 16 hours per day if a Wisconsin Shares participant provides written documentation of work and transportation requirements that exceed 12 hours per day to the Wisconsin Shares caseworker. Finally, require notice to be provided to the child care provider and to the Wisconsin Shares participant four weeks before the maximum number of hours that a child may receive child care under Wisconsin Shares is reduced to 12 hours or less per day due to the failure to provide the written documentation that more than 12 hours per day is needed.

GENERAL FUND TAXES

1. ELIMINATE CAPITAL GAINS EXCLUSION

	Chg. to JFC
GPR-REV	$315,400,000

Modify the substitute amendment by eliminating Wisconsin's individual income tax exclusion for long-term capital gains, other than gains on certain assets used in farming. Maintain the current 60% exclusion for income from the sale of capital assets held for more than one year if the asset is farm livestock, farm real property, depreciable farm property, or farm equipment. Extend this treatment to taxable years beginning on January 1 of the year the budget bill takes effect, but delay the treatment to the succeeding year if the effective date of the bill is after August 31. Compared to the Joint Finance provisions, which would reduce the current 60% exclusion to 40% for all types of capital assets, income tax revenues would increase by an estimated $149,400,000 in 2009-10 and $166,000,000

in 2010-11. Compared to current law, revenues would increase by an estimated $230,100,000 in 2009-10 and $255,500,000 in 2010-11.

2. INDIVIDUAL INCOME TAX DEDUCTION FOR COLLEGE SAVINGS ACCOUNT CONTRIBUTIONS

	Chg. to JFC
GPR-REV	- $800,000

Modify current law provisions allowing an individual income tax deduction for contributions to college savings accounts (EdVest) by extending the deduction to contributions made by parents where the beneficiary is their child, but is not their dependent under federal individual income tax provisions. Set the total annual deduction at $3,000 per beneficiary, claimed by married persons filing jointly or separately or by divorced or legally separated parents of a child. Provide that the total annual deduction, per beneficiary, claimed by a married person filing separately or by a previously married person filing separately may not exceed $1,500 per claimant, but provide that a former spouse may claim a higher amount if a divorce judgment specifies a different division of the $3,000 maximum contribution. Extend this treatment to taxable years beginning on January 1 of the year the budget bill takes effect, but delay the treatment to the succeeding year if the effective date of the bill is after August 31. It is estimated that this provision would result in a revenue loss of $400,000 per year.

3. ADVANCE PAYMENT OF EARNED INCOME TAX CREDITS

	Chg. to JFC
GPR	$200,000

Authorize individuals who claim the federal earned income tax credit (EITC) and who receive an advance payment of that credit to request that their employer adjust their paycheck so that they receive an advance payment of their state earned income tax credit. Set the amount of the adjustment as the amount of the advanced payment of the federal credit multiplied by a percentage equal to the percentage used to calculate their state earned income tax credit (the state earned income tax credit is calculated as a percentage of the federal credit). Authorize employers to adjust their withholding payments to DOR to reflect the extension of advanced credits. Direct DOR to prepare forms and instructions to implement this provision. Extend these provisions beginning on January 1 of the year the budget bill takes effect. Delay the treatment to the succeeding year if the effective date of the bill is after August 31.

Employees with qualifying children who expect to qualify for the federal EITC can elect to receive payment of the federal credit in advance with their regular pay by filing a form with their employer. Advance payment is made by the employer, based on tables provided by the Internal Revenue Service, out of the employee's withheld income tax and the social security payroll taxes of the employee and employer that would otherwise be remitted to the federal government. At the end of the year, the advance payments are reported on the employee's W-2 wage statement and entered as a tax due amount on the employee's income tax return. The full credit is then calculated without consideration of the advance payments. If the credit exceeds the advance payments, a refund is provided to the taxpayer. If the advance payments exceed the credit, the claimant must repay the difference. This proposal would authorize similar treatment for the state earned income tax credit and would increase state tax credit

expenditures on a one-time basis by an estimated $200,000 in 2009-10.

4. INDIVIDUAL AND CORPORATE INCOME AND FRANCHISE TAXES -- DEFINITION OF AIR CARRIER

	Chg. to JFC
GPR-REV	- $8,000,000

Delete the provision that would create a definition of "air carrier" under the state individual and corporate income and franchise taxes. Compared to the Joint Finance and Assembly provisions, this would reduce annual state income and franchise tax revenues by an estimated $4,000,000 annually.

5. CORPORATE INCOME AND FRANCHISE TAX -- COMBINED GROUP TAX CREDIT SHARING

	Chg. to JFC
GPR-REV	- $6,000,000

Provide that, for any year that a corporation that was a member of a combined group had an unused research credit (including the 10% credit related to designing internal combustion engines and the 10% credit for designing and manufacturing certain lighting or building automation systems, or car batteries) and/or research facilities tax credit or credit carry-forward, the corporation could, after using the credit or carry-forward to offset the corporation's own tax liability, use the unused credit or credit carry-forward to offset the tax liability of all the other members of the combined group, on a proportionate basis. If the corporation was not included in the combined group, the corporation could only apply unused tax credits to that corporation's tax liability, unless otherwise provided by the Department of Revenue (DOR) by rule. This provision would apply to tax years beginning on or after January 1, 2009, and would reduce corporate income and franchise tax revenues by an estimated $3,000,000 in 2009-10 and 2010-11.

6. CORPORATE INCOME AND FRANCHISE TAX -- ELECTION TO INCLUDE MEMBERS OF CONTROLLED GROUP IN COMBINED REPORT

Authorize the designated agent of a combined group to elect, without first obtaining written approval from the Department of Revenue, to include in its combined group every corporation in its commonly controlled group, regardless of whether those corporations are engaged in the same unitary business as the designated agent. Corporations included in the combined group through this election would be required to use combined reporting only to the extent required under current law provisions that specify the corporations required to use combined reporting. The commonly controlled group would have to calculate its Wisconsin income and apportionment factors under current law combined reporting provisions. All income of all members of the commonly controlled group would be required to be treated as apportionable income for the purposes of the combined report, regardless of whether or not the income would be subject to apportionment, or be allocable to a particular state, in the absence of an election to include all members of the commonly controlled group in the combined group.

The election to include all members of a commonly controlled group in the combined

group would have to be executed by the designated agent on an original, timely filed combined report for the group. Any corporation that was included in the commonly controlled group subsequent to the year of election would be considered as having waived any objection to being included in the group's combined report.

An election to include all members of a commonly controlled group in a combined report would be effective for 10 years, and could be renewed for an additional 10 years without prior written approval by DOR, after the election had been effective for 10 years. The renewal would have to be made on an original, timely filed return for the first tax year after the first 10-year election period was completed. An election that was not renewed would be revoked, and could not be renewed for the following three years. DOR would be authorized to disregard the tax effect of an election, or disallow an election, for any controlled group member, if DOR determined the election was for tax avoidance purposes.

This provision would apply to tax years beginning on or after January 1, 2009.

7. SALES AND USE TAX EXEMPTIONS FOR BIOTECHNOLOGY AND MANUFACTURING RESEARCH

Provide the following two definitions for purposes of the sales and use tax exemptions under the budget bill relating to qualified research in biotechnology and manufacturing:

a. "Animals" includes bacteria, viruses, and other microorganisms;

b. "Biotechnology business" means a business, as certified by DOR in the manner prescribed by the Department, that is primarily engaged in the application of biotechnologies that use a living organism or parts of an organism to produce or modify products to improve plants or animals, develop microorganisms for specific uses, identify targets for small molecule pharmaceutical development, or transform biological systems into useful processes and products.

Extend the sales and use tax exemptions under the budget bill relating to qualified research in biotechnology and manufacturing to include the following three items:

a. Machines and specific processing equipment, including accessories, attachments, and parts for the machines or equipment, that are used exclusively and directly in raising animals that are sold primarily to a biotechnology business, a public or private institution of higher education, or a governmental unit for exclusive and direct use by any such entity in qualified research or manufacturing;

b. Tangible personal property used exclusively and directly in raising animals that are sold to a biotechnology business, a public or private institution of higher education, or a governmental unit for exclusive and direct use by any such entity that is primarily engaged in qualified research in biotechnology or manufacturing, including: (i) certain tangible personal property the sales of which are currently exempt when used in the business of farming (seeds for planting, plants, feed, fertilizer, soil conditioners, animal bedding, sprays, pesticides, fungicides,

breeding other livestock, poultry, farm work stock, baling twine and baling wire, containers for fruits, vegetables, grain, hay silage, animal wastes, and plastic bags, sleeves, and sheeting used to store or cover hay or silage); (ii) medicines; (iii) semen for artificial insemination; (iv) fuel; and (v) electricity; and

c. Animals that are sold to a biotechnology business and used exclusively and directly in qualified biotechnology research.

The Joint Finance substitute amendment would create an exemption from the sales and use tax for purchases of: (a) machinery and equipment, including attachments, parts, and accessories, that are sold to persons who are engaged primarily in manufacturing or biotechnology in this state and are used exclusively and directly in qualified research; and (b) tangible personal property that is sold to persons who are engaged primarily in manufacturing or biotechnology in this state, if the property is consumed, destroyed, or loses its identity while being used exclusively and directly in manufacturing or biotechnology qualified research. The substitute amendment provides new definitions for "biotechnology," "primarily," "qualified research," and "used exclusively" for purposes of these exemptions.

These provisions would be in addition to the Joint Finance's proposed sales and use tax exemptions relating to manufacturing and biotechnology research. The Joint Finance proposal would take effect on January 1, 2012, and would reduce revenues by an estimated $13 million per year. The additional provisions related to animals under this provision are expected to reduce revenues by a minimal amount.

8. TOBACCO PRODUCTS TAX

	Chg. to JFC
GPR-REV	$480,000

Convert the tax on moist snuff under the substitute amendment from a weight-based tax at a rate of $1.87 per ounce to a price-based tax at a rate of 97% of the manufacturer's established list price. Delete provisions related to the imposition of a floor tax on moist snuff. Delete the provision in the substitute amendment increasing the maximum tax per cigar from 50 cents to 71 cents and, instead, maintain the current law maximum tax per cigar of 50 cents. As compared to the Joint Finance amendment, estimated tobacco products tax revenue would be reduced by $20,000 in 2009-10, and would be increased by $500,000 in 2010-11. Specify that these provisions would become first effective on the first day of the second month beginning after publication of the budget bill, or September 1, 2009, whichever is later.

9. MANUFACTURER AND RECTIFIER RETAIL SALES, WINERY PERMITS, AND SAMPLING OF INTOXICATING LIQUOR

Delete the following provisions in the substitute amendment relating to laws governing manufacturers and rectifiers of intoxicating liquor:

Specify that the holder of a manufacturer's or rectifier's permit is authorized to provide

intoxicating liquor that is manufactured or rectified on premise in the form of retail sales for consumption on or off premise, or in the form of free taste samples that do not exceed a total of 1.5 fluid ounces to any one person for consumption on premise.

Specify that DOR may prescribe additional regulations under the above provisions for the sale of intoxicating liquor if the additional regulations do not conflict with the requirements applicable to holders of "Class B" licenses.

Specify that these provisions apply to a person holding a manufacturer's or rectifier's permit in addition to both a winery permit and either a "Class A" license or a "Class B" license issued to a winery, all issued for the same premises or portions of the same premises.

Prohibit a person holding a manufacturer's or rectifier's permit from allowing the sale or provision of taste samples of intoxicating liquor on the manufacturing or rectifying premises unless there is, on the premises, the licensee or permittee, the agent named in the license or permit if the licensee or permittee is a corporation or a limited liability company, or some person who has an operator's (bartender's) license, and who is responsible for the acts of all persons selling or serving any intoxicating liquor to customers.

Permit a person to hold a manufacturer's or rectifiers permit in addition to a winery permit and either a "Class A" or a "Class B" license. Specify that a person holding this combination of licenses is authorized to make retail sales and provide taste samples as authorized under a "Class A" or a "Class B" license, respectively. Specify that the holder of such a combination of licenses may hold a direct or indirect interest in a manufacturer, rectifier, winery, or retailer.

10. TRIBAL MUNICIPAL BEER AND LIQUOR PERMITS

Require the Department of Revenue to issue Class "B" beer and "Class B" liquor permits to tribal applicants. Specify that a Class "B" and/or a "Class B" permit issued to a tribe would authorize the retail sale of beer, wine, and liquor for on and off premise consumption in a similar manner as authorized for Class "B" and "Class B" municipal licenses. Upon application by a tribe, the Department would be required to issue a Class "B" and/or a "Class B" permit to a tribal applicant if the tribal applicant meets the general permit qualification and application requirements for Class "B" and/or "Class B" permits. Specify that a "tribe" means a federally recognized American Indian tribe in this state having a reservation created pursuant to treaty with the United States encompassing not less than 60,000 acres nor more than 70,000 acres or any business entity that is wholly owned and operated by such a tribe. An issuant of a Class "B" and/or a "Class B" permit under this provision would be subject to all laws that generally apply to an issuant of a Class "B" beer and a "Class B" liquor license.

11. MUNICIPAL LIQUOR LICENSES

Permit a third class city located in Dane County with a population between 15,000 and 16,000 people, as of the 2000 Census, to issue two "Class B" licenses in addition to the number of "Class B" licenses permitted under the municipality's current law quota.

A retail "Class B" license authorizes the retail sale of intoxicating liquor and wine for consumption on the premises where sold. Municipalities are subject to a quota on the total number of "Class B" licenses that may be issued within each municipality. Quotas are generally calculated by a formula based on a municipality's population, as well as the number of licenses that were in effect in the municipality as of December 1, 1997. Certain exemptions from the quota on "Class B" licenses exist, such as for full-service restaurants with a seating capacity of 300 or more persons.

12. MUNICIPAL LIQUOR LICENSES -- CAPITAL IMPROVEMENT AREAS

Create statutory provisions authorizing the issuance of additional "Class B" liquor licenses to qualified applicants located in capital improvement areas enumerated by the Legislature. Specify that the geographic area composed of all land within the Tax Incremental District Number 3 within the City of Oconomowoc in Waukesha County that lies either south of Valley Road and east of State Highway 67 or south of I-94 and west of State Highway 67 would be enumerated as a capital improvement area.

Specify that, notwithstanding current law governing "Class B" license quotas, upon application by a qualified applicant, the governing body of any municipality containing an enumerated capital improvement area would be required to issue one license to a qualified applicant in addition to the number of licenses determined for the municipality's reserve "Class B" licenses, and any licenses issued to certain entities exempt from municipal quotas. After a qualified applicant has filed an application and upon application by an initial qualified applicant, the governing body of any municipality containing an enumerated capital improvement area would have to determine the improvement increment within the capital improvement area for the calendar year in which the application was filed and, if the improvement increment was at least $10 million above $50 million, the governing body of the municipality would have to issue to the initial qualified applicant a "Class B" license.

For each $10 million of improvement increment above $50 million, the governing body of the municipality would be authorized to issue one "Class B" license and, upon each application by a qualified applicant subsequent to that of the initial qualified applicant, the governing body of the municipality would be required to issue a "Class B" license to the qualified applicant until all licenses authorized for the capital improvement area have been issued. If the governing body of any municipality would receive an application by a qualified applicant in a calendar year subsequent to the calendar year in which it would receive the application of the initial qualified applicant, the governing body of the municipality would be required to re-determine the improvement increment for that year for the purpose of determining the number of "Class B" licenses authorized for the capital improvement area. The "Class B" licenses that a municipality would be authorized to issue would be in addition to the number of licenses determined for the municipality's reserve licenses, any license for exempt entities, and the original license for the capital improvement area.

Specify that no more than ten "Class B" licenses could be issued under these provisions for premises within the same capital improvement area, and that no municipality could issue a

license for a capital improvement area after July 1, 2017. Notwithstanding the prior sentence, any license issued pursuant to an enumerated capital improvement area could be transferred, pursuant to laws governing the transfer of alcohol beverage licenses and permits, to a premise within the same capital improvement area. If a license issued for a capital improvement area were surrendered to the issuing municipality, revoked, or not renewed, the municipality could reissue the license to a qualified applicant for a premise that is located within the same capital improvement area in which the license was originally issued, provided the license was originally issued prior to July 1, 2017.

Define the following five terms for purposes of capital improvement areas under laws governing quotas on "Class B" liquor licenses:

a. "Capital improvement area" would mean a geographic area that has been enumerated by the Legislature as having an improvement increment exceeding $50 million in the year in which the area is enumerated, and being located within a municipality with insufficient reserve "Class B" licenses to issue a "Class B" license for each business or proposed business that would reasonably require one;

b. "Improvement increment" would mean the aggregate assessed value of all taxable property in a capital improvement area as of January 1 of any year minus the area base value;

c. "Area base value" would mean the aggregate assessed value of all taxable property located within the geographic bounds of a capital improvement area on January 1 of the year five years prior to the year in which such capital improvement area is enumerated as a capital improvement area;

d. "Qualified applicant" would mean an applicant that complies with all requirements under current law governing qualifications for licenses and permits for alcohol beverages and any applicable ordinance, that certifies by affidavit that the applicant has made a good faith attempt to purchase the business of a person holding a "Class B" license within the municipality and have that license transferred to the applicant pursuant to laws governing the transfer of alcohol beverage licenses and permits, and for whom the issuing municipality has determined that these requirements have been met; and

e. "Good faith," with respect to an applicant's attempt to purchase a "Class B" licensed business, would include an applicant making an offer to purchase the business for an amount exceeding $25,000 in total value, without additional significant conditions placed on the purchase by either party, after having given notice of the applicant's interest in purchasing a licensed business to all current "Class B" license holders within the municipality where the business is located, by U.S. mail addressed to either the licensee's last known address or to the licensed premises. An offer in an amount of $25,000 or less could also be considered to be in good faith depending on the fair market value of the business, the availability of other licensed businesses for purchase, and any conditions attached to the sale.

As compared to current law, it is estimated that the number of "Class B" licenses that could be issued by the City of Oconomowoc would increase by 10. These provisions would also establish a framework under which the Legislature could enumerate additional capital

improvement areas to provide additional "Class B" liquor licenses to qualified applicants.

A retail "Class B" license authorizes the retail sale of intoxicating liquor and wine for consumption on the premises where sold. Municipalities are subject to a quota on the total number of "Class B" licenses that may be issued within each municipality. Quotas are generally calculated by a formula based on a municipality's population, as well as the number of licenses that were in effect in the municipality as of December 1, 1997. Certain exemptions from the quota on "Class B" licenses exist, such as for full-service restaurants with a seating capacity of 300 or more persons.

13. BEER AND WINE PROVIDED BY A NON-PROFIT ORGANIZATION DURING FUNDRAISING EVENTS

Delete the provision in the substitute amendment allowing any non-profit organization to provide beer or wine, free of charge, during either an indoor or outdoor fundraising event, without requiring the non-profit organization to hold any municipal license. Instead, allow a non-profit organization holding a fundraising event to be included as an entity that qualifies for a picnic beer and wine license for purposes of laws governing temporary Class "B" licenses and laws governing temporary "Class B" licenses. Specify that such temporary licenses would authorize the sale of beer and wine and the provision of beer and wine free of charge. Specify that temporary Class "B" and temporary "Class B" licenses issued to a non-profit for purposes of a fundraising event would be exempt from the restriction that no Class "B" or "Class B" license or permit may be granted for any premises where any other business is conducted in connection with the premises. For purposes of this provision, define a non-profit organization as a section 501(3)(c) organization under the federal Internal Revenue Code. Under current law, not more than two temporary "Class B" licenses may be issued to a permitted issuant in any 12-month period. A non-profit organization holding a fund raising event would also be subject to this restriction.

PUBLIC SERVICE COMMISSION

1. POLICE AND FIRE PROTECTION FEE -- TECHNICAL MODIFICATIONS

For purposes of the police and fire protection fee created under the substitute amendment, modify the definition of communications service to include only active retail voice communications service. This would have the effect of excluding both non-retail and nonvoice communications from the definition. Modify the fee's imposition provision pertaining to the 75 cent per month fee to specify that the fee would be imposed on each communications service connection with an assigned telephone number, including a communication service provided

via a voice over Internet protocol connection, and specify that if a communications provider provides multiple communications service connections to a subscriber, the communications provider shall impose a separate fee on each of the first ten connections and one additional fee for each ten additional connections per billed account. Modify the provision that allows a provider to list the fee separately from other charges on a subscriber's bill to also allow a provider to combine the fee with the charge authorized under current law provisions for 911 services if the provider identifies the combined fee and charge as "charge for funding countywide 911 systems plus police and fire protection fee."

2. POLICE AND FIRE PROTECTION FEE -- SUNSET

Modify the provisions in the substitute amendment regarding the police and fire protection fee by repealing the following provisions effective June 30, 2011: (a) the Public Service Commission (PSC) appropriation for administration of the fee; (b) investment of monies in the police and fire protection fund by the state investment board; (c) the police and fire protection fund; (d) treatment of the fee under the sales and use tax; and (e) imposition of the fee. These provisions sunset the fee and its related provisions at the end of the 2009-11 biennium.

3. 911 GRANT PROGRAM AND SURCHARGE

Repeal the funding mechanism for countywide 911 systems authorized under current law on July 1, 2011, create a 911 grant program administered by the Public Service Commission, and authorize a surcharge to provide program funding as follows:

Basic Surcharge. Impose a monthly surcharge on subscribers' bills based on the following provisions.

A monthly 911 surcharge would be imposed beginning on July 1, 2011. Initially, the surcharge would be set at a maximum of seventy-five cents or a lower amount set by the PSC, as described below. Service providers would be allowed to list the surcharge separately from other charges on the bill. Partial payments made by a subscriber would be applied first to the amount the subscriber owes the service provider for service.

Surcharge for Subscribers of Prepaid Wireless Plans. Exclude devices subject to prepaid wireless telecommunications plans from the preceding surcharge and instead base the surcharge for those devices on the following provisions.

The prepaid wireless 911 surcharge would be based on each retail transaction that occurs in this state. The rate of the surcharge per retail transaction would be one-half of the basic surcharge described above. The prepaid wireless 911 surcharge would be imposed by the seller on the consumer. Providers would be allowed to state the amount of the prepaid wireless 911 surcharge separately on an invoice, receipt, or other similar document that is provided to the consumer by the seller, or to otherwise disclose the surcharge to the consumer. The prepaid wireless 911 surcharge would be the liability of the consumer and not of the seller or of any

provider, except that the seller would be liable to remit all prepaid wireless 911 surcharges that the seller collects from consumers, including all such surcharges that the seller would be deemed to collect where the amount of the surcharge is not separately stated on an invoice, receipt, or other similar document provided to the consumer by the seller. The PSC would be required to promulgate rules exempting certain transactions that are not considered to be a retail sales transaction under the state general sales and use tax from the surcharge. A retail transaction that is effected in person by a consumer at a business location of the seller would be treated as occurring in this state if that business location is in this state, and any other retail transaction would be treated as occurring in this state if the retail transaction is treated as occurring in this state under the state general sales and use tax. The prepaid wireless 911 surcharge could be the only 911 funding obligation imposed with respect to prepaid wireless telecommunications service in this state. The PSC would be required to promulgate rules establishing requirements and procedures for auditing sellers to determine compliance with the preceding provisions and granting appeal rights. Those procedures would reflect the procedures used for the state general sales and use tax.

Change in the Surcharge Amount. Authorize changes in the surcharge amount based on the following procedures.

The PSC would be required to monitor the revenues and interest generated by the surcharge. If the PSC determines that the surcharge rate produces revenue in excess of the amount needed, the PSC would be required to reduce the rate. If the PSC determines that the surcharge rate produces revenue that is less than the amount needed, the PSC would be required to increase the rate. The PSC would be required to ensure that any adjustment to the rate would result in full cost recovery for grant recipients over a reasonable period. A change in the amount of the surcharge rate would become effective only on January 1 of each year. The PSC would be required to notify providers of a change in the rate no later than October 1 of the year before a change becomes effective. The maximum surcharge would be adjusted annually based on the change in the consumer price index for the Midwest region, U.S. Department of Labor, for the month of August of the previous year and of the year before that year. Any change in the basic surcharge rate would also apply to the surcharge rate for prepaid wireless plans.

Exemption from Sales and Use Tax. The amount of the basic and prepaid wireless 911 surcharge collected from a consumer would not be included in the base for measuring the general sales and use tax imposed by this state or its political subdivisions.

General Surcharge Provisions. Require service providers to remit payments to the PSC on a monthly basis based on the following provisions.

Service providers and retailers would be required to remit collected surcharges to the PSC by the end of the calendar month following the month the provider received the charges from its subscribers. Providers would be allowed to deduct and retain an administrative allowance equal to the greater of 1% of the amount of the remitted surcharge or $50 per month. The PSC would be authorized to require service providers to report the amount of uncollected surcharges on an annual basis, or less frequently as the Commission determines. The PSC

would be authorized to request the name, address, and telephone number of a subscriber who refuses to pay the 911 surcharge. Service providers would have no obligation to take any legal action to enforce the collection of the surcharge billed to a subscriber. The PSC would be authorized to initiate a collection action, which would include the recovery of reasonable costs and attorneys' fees associated with the action, against the subscriber.

911 Fund. Create a SEG fund called the 911 fund based on the following provisions.

With guidance from the 911 Advisory Council (described below), the PSC would administer the fund. All revenues remitted to the PSC from the surcharge imposed under this proposal would be deposited in the fund, and revenue in the fund could only be used as provided in this proposal. The PSC would be allowed to deduct and retain for its administrative expenses up to 1% of the annual revenues generated by the fund. All remaining revenues in the fund would be used to make grants under this proposal. The state investment board would be authorized to invest monies in the fund.

Grants. Authorize the PSC to make grants to reimburse service providers and local governments for incurred costs, previously approved by the PSC, based on the following provisions.

Service providers would be eligible for reimbursement of actual, commercially reasonable costs incurred in complying with the requirements of enhanced 911 service. Costs of complying would include costs incurred for designing, upgrading, purchasing, leasing, programming, installing, testing, or maintaining all necessary data, hardware, and software required to provide service as well as the recurring and nonrecurring costs of providing the service. Applications for reimbursement would be required to include invoices for costs incurred.

Enhanced 911 service would be defined as the delivery of 911 calls with automatic number identification and automatic location identification to an appropriate public safety answering point by selective routing based on the geographical location from which the call originated and providing either a specific street address or information defining the approximate geographic location, in accordance with orders promulgated by the Federal Communications Commission.

Grants to local governments would be limited to those governments that were designated as grant recipients under the state's wireless 911 grant program and were operating a wireless public safety answering point that was in operation as of November 30, 2008, except that for counties without wireless enhanced 911 services on that date, one local government operating a public safety answering point in each county would be eligible for grants if that government is designated as the primary public safety answering point in the county. Local governments would be required to submit grant requests annually that identify the costs incurred by the public safety answering point in complying with the requirements of enhanced 911 service. Costs of complying would include costs incurred for designing, upgrading, purchasing, leasing, programming, installing, testing, or maintaining all necessary data, hardware, and software required to provide service as well as the recurring and nonrecurring costs of providing the

service, and costs associated with training public safety answering point personnel. To obtain reimbursement, a local government's designated primary public safety answering point would have to submit an annual application to the PSC identifying expenses eligible for reimbursement under the program and listing the invoices for reimbursement that are related to compliance with enhanced 911 service requirements. Further, the application would have to include the costs of landline 911 trunks and charges for the designated and authorized public safety answering points in the county.

If the total amount of invoices submitted to the PSC and approved for payment in a month exceeds the amount available from the 911 fund for reimbursements, the amount payable to each service provider and local government would be reduced proportionately so that the amount paid would not exceed the amount available for payment. The balance of the payment would be deferred.

A local government and its designated public safety answering point would be required to comply with all requests by the PSC for financial information related to the operation of the public safety answering point and, upon request, to provide a copy of any audits conducted of the designated public safety answering point to the PSC.

911 Advisory Council. Create a 911 Advisory Council based on the following provisions.

The PSC would be required to appoint a council to advise it concerning the administration of the 911 grant program and surcharge, any related administrative rules, and any other matters assigned to the council by the PSC. In addition, the council would assist the 911 coordinator, described below, in the development of a statewide plan for Enhanced 911 services for the state.

The council would consist of members from the following groups:

- an individual recommended by the League of Wisconsin Municipalities;

- an individual recommended by the Wisconsin Counties Association;

- an individual recommended by the Wisconsin Chapter of the National Emergency Number Association;

- an individual recommended by the Badger State Sheriffs Association;

- two individuals who represent commercial mobile radio service providers operating in Wisconsin;

- an individual recommended by the Wisconsin Chapter of the Association of Public Safety Communications Officials;

- two individuals recommended by the Wisconsin State Telecommunications Association, one of whom represents a local exchange carrier with less than 50,000 access lines;

- an individual who represents a voice over Internet protocol provider;

- a police chief recommended by the Wisconsin Police Chiefs Association;

- a fire chief recommended by the Wisconsin Fire Chiefs Association;

- an individual recommended by the state Emergency Management Association;

- an individual who represents the cable industry; and

- an individual recommended by the Wisconsin Emergency Medical Services Association.

Each council member would be appointed to a staggered three-year term. The council's chairperson and vice chairperson could not be filled by PSC staff. The council would be required to meet at least twice a year. Members would serve without compensation, but members, other than those representing service providers could be reimbursed for their actual and necessary expenses incurred in the performance of their duties, subject to guidelines adopted by the council. Members would be required to undertake their duties in a manner that is competitively and technologically neutral to all service providers.

Public Service Commission. Authorize 1.0 FTE position to fund a 911 state coordinator. Direct the PSC to develop a statewide plan for enhanced 911 services for the state and consult with the 911 Council. Authorize the Commission to promulgate administrative rules for the 911 grant program and administer the program, as described above. Create a SEG appropriation to fund the program's administrative expenses and to provide grants to service providers and local governments. Limit the expenditure of funds for administrative expenses to no more than 1% of the amounts received from surcharges. Authorize the PSC to require a communications provider or local government receiving grants to conduct an audit to ensure that its grant application and use of grant proceeds are consistent with the program requirements. Require the PSC to issue a report to the Legislature containing complete information regarding receipts and expenditures of all funds received by the PSC during the period covered by the report by February 28 of each odd-numbered year. Direct the PSC to also include in the report the status of the 911 system in Wisconsin at the time of the report and the results of any related investigations by the PSC completed during the period covered by the report.

Miscellaneous Provisions. Authorize miscellaneous administrative provisions as follows.

Recovery of Unauthorized Use of Funds. The PSC would be required to give written notice of violation to any service provider or local government found to be using monies from the 911 fund for unauthorized purposes. Upon receipt of the notice, the service provider or designated public safety answering point would be required to cease making any unauthorized expenditures. Violators would be allowed to petition the PSC for a hearing on the question of whether the expenditures were unauthorized, and the PSC would be required to grant the request within a reasonable period. If, after the hearing, the PSC concludes the expenditures were in fact unauthorized, the PSC would require the service provider or designated public safety answering point to refund the monies improperly spent within 90 days of its determination.

Conditions for Providing Enhanced Wireless 911 Service. In accordance with federal wireless orders, no provider would be required to provide enhanced wireless 911 service until all of the following conditions are met: (a) the provider receives a request for the service from the administrator of a public safety answering point that is capable of receiving and utilizing the data elements associated with the service; (b) funds for reimbursement of the provider's costs are available; and (c) the local exchange carrier is able to support the requirements of enhanced 911 service.

Telephone Relay Service for the Hearing Impaired. Each public safety answering point receiving funding would be required to comply with FCC requirements that all 911 answering positions be equipped with the necessary equipment in order to accept 911 calls from the hearing impaired directly or through the use of a relaying service.

Subscriber Records. Subscriber records would remain the property of the disclosing provider and their use would be limited to providing emergency response services to 911 calls. Service provider connection information obtained by designated primary public safety answering point personnel for public safety purposes would not be public information under current law provisions. The disclosure or use, other than for 911 operations, of information contained in the database of the telephone network portion of a 911 system would be prohibited. Within two business days of a service provider installing service for a new subscriber, the provider would be required to provide the relevant public safety answering point with information necessary to update the master street address guide or location database used by the public safety answering point to respond to emergency calls, and the public safety answering point would be required to make the update.

Proprietary Information. All information submitted to the PSC and 911 Advisory Council would be confidential if the provider designates the information as proprietary and the PSC determines the information is proprietary. Proprietary information submitted under this program would not be subject to disclosure, and release of such information to any person other than to the submitting service provider, the PSC, and the 911 Advisory Council without the express permission of the submitting service provider would be prohibited. General information collected by the PSC and 911 Advisory Council could be released or published only in aggregate amounts that do not identify or allow identification of numbers of subscribers or revenues attributable to an individual service provider.

Limitation of Liability. Extend the liability exemption for local governments and telecommunications utilities under the e-911 program to communications providers under this program.

Effective Date. The preceding provisions would take effect on July 1, 2011. As a result, the surcharge and grant program would commence in the 2011-13 biennium.

WORKFORCE DEVELOPMENT

1. MODIFICATIONS TO PREVAILING WAGE PROVISIONS

Make the following modifications to the prevailing wage provisions included in the Joint Finance version of the budget:

a. Modify the definition of "local governmental unit" to specify that it would include a local public body and corporate created by constitution, statute, ordinance, rule, or order, including specifically a regional transit authority.

b. Modify the definition of "state agency" to include a state public body and corporate created by constitution, statute, rule, or order, including specifically the University of Wisconsin Hospitals and Clinics Authority, the Fox River Navigational System Authority, and the Wisconsin Aerospace Authority.

c. Define "minor service and maintenance work" for municipal, publicly funded private construction, and state projects of public works to mean a project of public works that is limited to minor crack filling, chip or slurry sealing, or other minor pavement patching, not including overlays, that has a projected life span of no longer than five years; the depositing of gravel on an existing gravel road applied solely to maintain that road; road shoulder maintenance; cleaning of drainage or sewer ditches or structures; or any other limited, minor work on public facilities or equipment that is routinely performed to prevent breakdown or deterioration.

d. Define "project of public works" for municipal, publicly funded private construction, and state projects to mean a project involving the erection, construction, repair, remodeling, demolition, or improvement, including any alteration, painting, decorating, or grading, of a public facility, including land, a building, or other infrastructure. Activities related to projects of public works would include improvement of the project in addition to erection, construction, remodeling, repairing, and demolition. The term "project of public works" would be used to replace "project" in prevailing wage laws.

e. Define "supply and installation contract" for municipal, publicly funded private construction, and state projects to mean a contract under which the material is installed by the supplier, the material is installed by means of simple fasteners or connectors such as screws or nuts and bolts, and no other work is performed on the site of the project of public works, and the total labor cost to install the material does not exceed 20 percent of the total cost of the contract.

f. Modify the exclusion from the prevailing wage laws governing municipal and state projects of public works and publicly funded private construction projects related to service,

maintenance and warranty work to specifically exclude minor service or maintenance work, warranty work, or work under a supply and installation contract.

g. Modify applicability provisions to make municipal and state prevailing wage laws apply to a project in which the completed facility (rather than a building) was leased, leased purchased, or otherwise acquired by or dedicated to a local governmental unit or state agency in lieu of the local governmental unit or state agency contracting for erection, construction, repair, remodeling, demolition or improvement (rather than construction) of the facility (rather than building). Also, "improvement" would be added to the list of activities subject to prevailing wage provisions.

h. Specify that the municipal prevailing wage law applies to bridge building and other infrastructure rather than a bridge construction project.

i. Specify that the municipal prevailing wage law applies to a bridge project, as well as to road, sanitary sewer, and water main projects, in which the completed road, street, sanitary sewer, or water main is acquired by, as well as dedicated to a local governmental unit for maintenance, as well as ownership, by the local governmental unit.

j. Delete specific reference to direct negotiation of contracts in provision that requires a local government to apply to the Department of Workforce Development (DWD) to determine the prevailing wage.

k. Delete the definition of "publicly funded private construction project" included in the substitute amendment. Instead, "publicly funded private construction project" would mean a construction project in which the developer, investor, or owner of the project received direct financial assistance from a local governmental unit for the erection, construction, repair, remodeling, demolition, or improvement of, including any alteration, painting, decorating, or grading, of a private facility, including land, a building, or other infrastructure. The exclusion for certain housing projects included in the Joint Finance budget would be retained. However, the exclusion that applies to a "facility" that contained no retail, office, or commercial components, if the project was intended to increase the supply of affordable housing in the community would be modified to apply to "residential property."

l. Specify that the publicly funded private construction project prevailing wage law would apply to laborers, workers, mechanics, and truck drivers employed on the site of such a project that was subject to the law in the performance of erection, construction, remodeling, repair, demolition, or improvement activities for which direct financial assistance was received. Clarify that the law applies to the manufacturing or furnishing of materials, articles, supplies or equipment for which direct financial assistance is received.

m. Require the prevailing wage law for state projects of public works to apply to a project erected, constructed, repaired, remodeled, demolished, or improved by one state agency for another state agency under any contract or under any statute specifically authorizing cooperation between state agencies. Also, the provision that would apply prevailing wage provisions to a road, street, sanitary sewer, or water main project in which the completed road, street, sanitary sewer or water main was dedicated to the state for ownership, would be

modified to delete references to road and street, and apply the prevailing wage provisions to projects in which the completed sanitary sewer or water main is acquired by, or dedicated to the state for ownership.

2. PREVAILING WAGE FOR PUBLICLY-FUNDED PRIVATE CONSTRUCTION PROJECTS -- DEFINITION OF DIRECT FINANCIAL ASSISTANCE

Modify provisions in the Joint Finance budget that would create a prevailing wage law for publicly-funded private construction projects to delete the definition of "financial assistance' and instead create a definition of "direct financial assistance" under the law. "Direct financial assistance" would mean moneys in the form of a grant or other arrangement or included as part of a cooperative agreement, or contract including a redevelopment agreement under the municipal blight elimination and slum clearance law, economic development agreement, contract for a project under the tax increment finance law, or assistance provided under the municipal business improvement district law, that a local governmental unit directly provides or otherwise makes available to assist in the erection, construction, repair, remodeling, demolition, or improvement of a private facility. "Direct financial assistance" would not include a public works contract, a supply procurement contract, a contract of insurance or guaranty, a collective bargaining agreement, or any other contract under which moneys are not directly provided or otherwise directly made available for that assistance.

3. PREVAILING WAGE -- DELETE PROVISION REQUIRING COVERAGE FOR CERTAIN EMPLOYEES THAT FABRICATE SYSTEMS

Delete the provision included in the Joint Finance budget that would have included as covered employees under the prevailing wage laws for state and municipal public works projects, and publicly-funded private construction projects, laborers, workers, and mechanics employed in commercial establishments that were employed in fabricating plumbing systems, sprinkler systems, mechanical systems, or pipework for incorporation into a public works project.

4. PREVAILING WAGE -- COLLECTIVE BARGAINING AGREEMENTS REPORTING

Modify provisions included in the substitute amendment related to records reporting requirements for collective bargaining agreements under the state and municipal public works, and publicly-funded private construction project prevailing wage laws to specify that the monthly records reporting requirements would not apply to a contractor, subcontractor, or agent if all the persons employed by the contractor, subcontractor, or agent who were performing work subject to the prevailing wage laws were covered under a collective bargaining agreement, and the wage rates for those persons under the collective bargaining agreement were not less than the prevailing wage rate. Also, all collective bargaining agreements that were pertinent to the project would have to be submitted to the Department of Workforce Development (DWD).

The provisions in the bill specify that weekly reporting requirements would not apply to workers subject to prevailing wage laws who were covered by a collective bargaining agreement. The requirement that DWD post the collective bargaining agreement on its Internet website would remain.

5. PREVAILING WAGE -- DEFINITION OF BONA FIDE ECONOMIC BENEFIT

Create, under the state and municipal public works, and publicly-funded private construction project prevailing wage laws a definition of "bona fide economic benefit." Specifically, "bona fide economic benefit" would mean an economic benefit for which an employer made irrevocable contributions to a trust or fund created under federal law, or to any other plan, trust, program, or fund no less often than quarterly or, if an employer made annual contributions to such a plan, trust, or fund, for which the employer irrevocably escrows moneys at least quarterly based on the employer's annual contribution. Under the prevailing wage provisions, the prevailing wage that must be paid includes the hourly basic rate of pay, contributions for health insurance, vacation benefits, pension benefits, and any other bona fide economic benefit. However, the phrase "bona fide economic benefit" is not defined.

6. PREVAILING WAGE -- REMEDIES

Modify provisions relating to remedies under the prevailing wage laws for municipal and state projects of public works and for publicly funded private construction projects.

Municipal Projects of Public Works. Under the current prevailing wage provisions for municipal projects, any contractor, subcontractor or contractor's or subcontractor's agent who fails to pay the prevailing wage or required overtime compensation is liable to any affected employee in the amount of his or her unpaid wages or his or her unpaid overtime compensation and in an additional equal amount as liquidated damages.

An action to recover the liability may be maintained in any court of competent jurisdiction by any employee for and in behalf of that employee and other employees similarly situated. No employee may be a party plaintiff to the action unless the employee consents in writing to become a party and the consent is filed in the court in which the action is brought. The court must, in addition to any judgment awarded to the plaintiff, allow reasonable attorney fees and costs to be paid by the defendant.

The amendment would modify these provisions to specify that if DWD determined upon inspection that a contractor, subcontractor, or contractor’s or subcontractor’s agent failed to pay the prevailing wage or required overtime compensation, the Department would be required to order the contractor to pay to any affected employee the amount of his or her unpaid wages or unpaid overtime compensation, and an additional amount equal to 100% of the amount of those unpaid wages or that unpaid overtime compensation as liquidated damages, within a period specified by the Department in the order. [This is the same general remedy as provided under current law.]

The amendment would also specify that, in addition to, or in lieu of, recovering the liability specified above, any employee for and in behalf of that employee and other employees similarly situated would be authorized to commence an action to recover that liability in any court of competent jurisdiction. In an action that was commenced before the end of any period specified by DWD for payment of liquidated damages, if the court found that a contractor, subcontractor, or contractor's or subcontractor's agent failed to pay the prevailing wage or required overtime compensation, the court would be required to order the contractor, subcontractor, or agent to pay to any affected employee the amount of his or her unpaid wages or his or her unpaid overtime compensation, and an additional amount equal to 100% of the amount of those unpaid wages or that unpaid overtime compensation as liquidated damages. The liquidated damages amount would have to be 200% of the amount of unpaid compensation if the action was commenced after the end of any period specified by DWD for payment of liquidated damages [Current law provides that an action to recover the liability may be maintained in any court of competent jurisdiction by any employee for and in behalf of that employee or other employees similarly situated. Current law does not specify what remedy must be ordered by the court.]

The current law provision that requires an employee who is a party plaintiff to an action for liquidated damages to consent in writing to become a party and that requires the consent to be filed in the court in which the action was brought would be retained. Similarly, the court would continue to be required to allow reasonable attorney fees and costs to be paid by the defendant.

State Projects of Public Works. Current law also includes prevailing wage requirements for certain state public works projects. The current state provisions do not include specific remedies for individuals who did not receive the required amount of pay or overtime compensation.

The amendment would create provisions identical to those described above for municipal projects.

Publicly-Funded Private Construction Projects. The Joint Finance version of the budget bill includes provisions applying the prevailing wage requirements to certain publicly-funded private construction projects. The Joint Finance provisions include remedies for failure to pay required wages and overtime compensation that are identical to those under the current prevailing wage provisions for municipal projects described above.

The amendment would delete the Joint Finance remedy provisions and replace them with provisions identical to the proposed remedies for violations of the municipal prevailing wage provisions outlined above.

7. PREVAILING WAGE -- MILWAUKEE RIVERWALK EXCLUSION

Provide, under the prevailing wage law for publicly-funded private construction projects created in the substitute amendment, an exclusion from the definition of "direct financial assistance" for any moneys allocated by the City of Milwaukee for the purchase of public

easements that are located entirely in the Milwaukee Riverwalk Site Plan Review Overlay District established by the City of Milwaukee, as amended to June 1, 2009, or for the construction of dockwalls, walkways, plazas, parks, private roadways open to the public, or similar improvements, or for any other public infrastructure improvements, that are located entirely in the district, if the work would be subject to, or specifically exempted from, the municipal prevailing wage law.

8. EMPLOYMENT OF APPRENTICES ON STATE PUBLIC WORKS PROJECTS

Delete the Joint Finance provisions regarding employment of apprentices on state public works projects. Instead, create the following provisions regarding DWD's administration of the state apprenticeship program on state public works projects:

a. Provide that, if DWD provides an exception or modification to a requirement in any contract for the performance of work on a state public works project relating to the employment and training of applications, DWD would be required to post that information on its Internet site, together with a detailed explanation of why the exception or modification was granted.

b. Require employers, no later than 15 days after the end of the month in which an employer performs work on a project, to submit to DWD, in an electronic format, a report including the number of employees working in trades that were apprenticeable, the number of apprentices employed on the project, the race, sex, and average age of those apprentices, and the daily number of hours worked by those apprentices. DWD would be required to post on its Internet site a running summary of those reports, summarizing for each month, the information described above.

c. Require DWD to grant an employer a grace period of up to 10 days each year for submitting the reports. All projects on which an employer performed work during a calendar year, as a contractor, subcontractor, or agent, would be subject to a single grace period. If an employer failed to submit a report within the required grace period, for each project on which the employer performed work, the employer would forfeit $1,000 for each day the grace period was exceeded.

d. Require DWD to distribute to all state agencies lists of persons who exceeded the grace period in filing required reports at any time during the preceding three years. DWD would have to include with any name, the address of the person, and specify when the person exceeded the grace period. A state agency could not award a contract to the person, unless otherwise recommended by DWD or until three years elapsed from the date on which DWD issued its findings or the date of final determination by a court of competent jurisdiction, whichever is later. DWD could not include in state agency notifications the name of any person because that person let work to another person that had exceeded the grace period for reporting. These provisions would not apply to any contractor, subcontractor, or agent who, in good faith, on no more than two occasions in the same calendar year, committed a minor violation, as determined on a case-by-case basis through administrative hearings with all rights afforded to all parties, or who had not exhausted or waived all appeals.

e. Require any person that submitted a bid on a project that was subject to the apprentice provisions, on the date on which the person submitted the bid, to identify any construction business, in which the person, or shareholder of the business, or officer of the business, or partner of the business, owned or had owned at least a 25% interest, on the date the bid was submitted or at any time during the preceding three years, that had been found to have violated the report filing requirements.

DWD would be required to promulgate rules to administer these provisions.

9. MINIMUM WAGE -- INDEXING

Require DWD, by September 1 of each year, to promulgate administrative rules to revise the state minimum wages. DWD would be required to determine the revised minimum wages by calculating the percentage difference between the consumer price index (CPI) for the twelve-month period ending on May 31 of the preceding year and the CPI for the twelve-month period ending on May 31 of the current year, adjusting the minimum wages in effect on August 31 of the current year by that percentage difference, and rounding the result to the nearest multiple of five cents, except the minimum wage for camp counselors would have to be rounded to the nearest dollar. The revised minimum wage would first apply to wages earned or meals or lodging furnished on September 1 of the year in which the wage allowance was revised. DWD could promulgate emergency rules without a finding of emergency. The indexing provisions would not apply for years in which the CPI did not increase. These provisions would not preclude DWD from promulgating rules to increase the state minimum wages and meal and lodging allowances. "Consumer price index" would mean the average of the CPI over each twelve-month period for all urban consumers, U.S. city average, as determined by the Bureau of Labor Statistics of the U. S. Department of Labor. Currently, the minimum wage for most employees is $6.50 per hour.

TRANSPORTATION AND PROPERTY TAX RELIEF

TRANSPORTATION

1. DELETE OIL COMPANY PROFITS TAX; TRANSFER FROM THE GENERAL FUND

	Chg. to JFC
GPR	$260,090,600

Delete provisions in the substitute amendment that establish an oil company profits tax and reduce estimated transportation fund revenue by $103,684,300 in 2009-10 and $156,406,300 in 2010-11 to reflect this decision. Provide $103,684,300 GPR in 2009-10 and $156,406,300 GPR in 2010-11 in a new appropriation for making a transfer from the general fund to the transportation fund. There is no net impact on transportation fund revenues under this item.

2. DANE COUNTY REGIONAL TRANSIT AUTHORITY -- HIGHWAY PROJECTS

Specify that the Dane County Regional Transit Authority (RTA) could transfer revenues from the sales and use taxes imposed by the RTA to any political subdivision within the RTA's jurisdictional area to fund highway projects within that area. Require the RTA board to determine the recipients and amounts of all such transfers.

Under the substitute amendment, the Dane County RTA's authority and sales and use tax revenues would be limited to transit-related activities. This provision would allow some of those revenues to be used for highway purposes within the RTA's jurisdictional area.

3. DANE COUNTY REGIONAL TRANSIT AUTHORITY -- BOARD COMPOSITION

Specify that the member of the RTA board appointed by the Dane County Cities and Villages Association (under provisions of the substitute amendment) would be appointed for a two-year term and could be from a city within the RTA jurisdiction that does not have a separate statutory representative on the board, in addition to a village, as allowed under the substitute amendment. Specify that this member would be a rotating member among these eligible cities and villages and that a city or village could not have a subsequent appointee until an appointee from each eligible city or village has served a term in that rotation.

4. DANE COUNTY REGIONAL TRANSIT AUTHORITY -- REFERENDUM REQUIREMENT

Specify that the Dane County RTA board could not impose the 0.5% sales and use taxes until a referendum is held in the jurisdictional area on the question of whether the board may impose such taxes and the referendum is decided in the affirmative. Under the substitute amendment, this referendum would have been advisory.

5. CHEQUAMEGON BAY REGIONAL TRANSIT AUTHORITY

Specify that if the governing bodies of Ashland and Bayfield counties each adopt a resolution authorizing their county to become a member of the authority and each resolution is ratified by the electors at a referendum held in each county, a Chequamegon Bay Regional Transit Authority (RTA) would be created. The RTA would be a public body corporate and politic and a separate governmental entity.

Specify that if the authority is created, any municipality located in whole or in part within Ashland and Bayfield counties would be a member of the RTA, but that the jurisdictional area of the RTA would be the combined territorial boundaries of Ashland and Bayfield counties.

Sales and Use Tax Authority. Specify that once created, the authority could transact business and exercise any powers granted to it. The powers and duties allowed under the substitute amendment for the Dane County RTA would apply to the Chequamegon Bay RTA, including the authority to impose up to 0.5% sales and use taxes. Provide that the Chequamegon Bay RTA board would not be allowed to impose the sales and use taxes unless the authorizing resolutions and referendums in each county to create the RTA clearly identify the maximum rate of the taxes that may be imposed by the authority.

Governance. Specify that if the Chequamegon Bay RTA is created, the board of directors of the authority would be determined by resolution of the governing body of each county. Provide that the bylaws of the RTA would have to include the approved board composition. However, specify that the RTA board could not consist of more than 17 members and would have to include the following members:

a. at least three members from each county, appointed by the county executive and approved by the county board of each county;

b. at least one member from the most populous city of each county (the cities of Ashland and Washburn), appointed by the mayor of the city and approved by the common council; and

c. at least one member from the RTA's jurisdictional area, appointed by the Governor.

Specify that if the governing bodies of the counties are unable to agree upon a composition of the board of directors, the board would be limited to the minimum membership described above. Specify that the length of terms for the Chequamegon Bay RTA board members would be four years, except the initial terms would be two years for the following members: (a) one of the members appointed by the county executives of each county; and (b) each member appointed by the mayor of the most populous city in each county.

6. MILWAUKEE COUNTY REGIONAL TRANSIT AUTHORITY

Delete the Milwaukee County Regional Transit Authority (RTA) proposed under the substitute amendment. Remove the reference to the Milwaukee County RTA as an eligible applicant under the southeast Wisconsin transit capital assistance program and, instead, make Milwaukee County an eligible applicant under that program.

7. ADDITIONAL MILWAUKEE COUNTY SALES AND USE TAX

Provide Milwaukee County the authority to impose sales and use taxes at a rate of 1.0%, which would be in addition to its current authority to impose such taxes at a rate of 0.5%. Specify that the imposition of the 1.0% sales and use taxes would be done by the adoption of an ordinance to impose the taxes at the 1.0% rate and that provisions related to the imposition, collection, and distribution of the current 0.5% county sales and use taxes would apply to the new taxes. Specify that an ordinance to impose the taxes must be effective on the first day of January, April, July, or October and that a certified copy of the ordinance must be delivered to the DOR Secretary at least 120 days prior to its effective date. Provide that the repeal of such an ordinance would take effect on December 31 and that the same notice must be given to DOR.

Require the county to use 85% of the revenues it receives from the new taxes for transit, parks, culture, and emergency medical services and specify that the county shall not levy property taxes for such purposes. Modify the county property tax rate limit to specify that if Milwaukee County imposes the 1.0% sales and use taxes that its operating levy shall be reduced by at least $67 million, and that its operating levy limit would also be reduced to reflect this reduction in its operating levy, to account for the elimination of the county's need to levy for transit, parks, culture, and emergency medical services.

Require Milwaukee County to distribute the other 15% of the new sales and use tax revenues to the municipalities in Milwaukee County. Require the municipalities to use these funds to support police, fire, and emergency medical services. Specify that the funds would be allocated among the municipalities in Milwaukee County on a per capita basis.

8. SOUTHEASTERN REGIONAL TRANSIT AUTHORITY

Rename the KRM Authority, as proposed in the substitute amendment, the Southeastern Regional Transit Authority (SERTA). Modify the appointments to the SERTA board by specifying that the Kenosha County board chair, rather than the Kenosha County Executive, would appoint the Kenosha County member to the board. Specify that SERTA would be an eligible applicant for the southeastern Wisconsin transit capital assistance program that would be created under the substitute amendment. Require that the KRM commuter rail project include a stop in the City of Milwaukee at the intersection of Lincoln Avenue and Bay Street.

9. SOUTHEASTERN REGIONAL TRANSIT AUTHORITY -- PREVAILING WAGE REQUIREMENTS

Specify that prevailing wage requirements would apply to public works contracts entered into by the Southeastern Regional Transit Authority. [Prevailing wage requirements would already apply to the regional transit authorities created under the substitute amendment.]

10. RAILROAD PROJECT BIDDING REQUIREMENTS

Modify a provision of the substitute amendment that would require, with certain exceptions, competitive bidding for railroad improvement projects done with public funds, to specify that the requirement would not apply to the installation or maintenance of warning devices at rail-highway crossings.

11. BICYCLE AND PEDESTRIAN FACILITIES INCORPORATED INTO HIGHWAY AND STREET PROJECTS

Require DOT, with certain exceptions, to ensure that bikeways and pedestrian ways are established in all new highway construction and reconstruction projects funded in whole or in part from state funds or federal funds provided in DOT appropriations or bonds authorized for use by the Department. Require DOT to promulgate administrative rules that specify the circumstances under which this requirement does not apply, but specify that these rules may only include situations in which one or more of the following apply: (a) bicyclists or pedestrians are prohibited by law from using the highway; (b) the cost of establishing bikeways or pedestrian ways would be excessively disproportionate to their need or probable use; (c) including bikeways or pedestrian ways would have excessive negative impacts in a constrained environment; (d) sparse population, low traffic volume, or other factors indicate an absence of need; or (e) the refusal of a community to accept an agreement for the maintenance of pedestrian ways. Define "excessively disproportionate," for the purposes of "b" above, to be more than 20% of the total project cost. Require the DOT Secretary or the Secretary's designee with knowledge of the purpose and value of bicycle and pedestrian accommodations to review any exception to the bicycle and pedestrian facilities requirement made on the "excessively disproportionate" grounds. Define "bikeway" to mean a public path, trail, lane or other way, including structures, traffic control devices and related support facilities and parking areas, designated for use by bicycles, electric personal assistive mobility devices, and other vehicles propelled by human power. This definition also includes bicycle lanes and bicycle ways, both as currently defined. Define "pedestrian way" as a walk designated for the use of pedestrian travel.

12. STH 102 BICYCLE AND PEDESTRIAN PATH IN THE VILLAGE OF RIB LAKE

Require DOT to construct a bicycle and pedestrian path and bridge, with lighting, along STH 102 from State Road to Fayette Avenue in the Village of Rib Lake in Taylor County, in conjunction with the resurfacing of the highway, if the Village contributes at least $60,000

toward the cost of the path and lighting.

13. HIGHWAY PROJECT DESIGN INVENTORY REQUIREMENT

Modify a provision of the substitute amendment that would require the Department to maintain an inventory of completed designs for highway projects with an estimated cost equal to the annual amount of funding provided in each of the highway improvement programs, to specify that the estimated cost of the inventory of completed designs must, instead, equal 65% of the annual funding provided in each of the programs.

14. DESIGN-BUILD CONTRACTING ON BRIDGE PROJECTS

Modify a provision of the substitute amendment that would prohibit DOT from providing any funding for a bridge project that crosses a river forming a boundary of the state if the contract for the project is awarded using a design-build procurement process, to specify that the prohibition does not apply if Wisconsin receives federal funds that are designated by the federal government specifically for the project covering at least $75 million of Wisconsin's share of the cost of the project.

15. EXEMPT STATE TRANSPORTATION PROJECTS FROM CONDITIONAL USE PERMIT REQUIREMENTS IN FARMLAND PRESERVATION DISTRICTS

Specify that provisions created under the substitute amendment related to farmland preservation, including any ordinances adopted, rules promulgated, and agreements entered into under those provision apply to DOT only with respect to buildings, structures, and facilities to be used for administrative or operating functions, including buildings, land, and equipment to be used for the motor vehicle emission inspection and maintenance program.

16. GRANT FOR OAK CREEK FOR DREXEL AVENUE INTERCHANGE ON I-94

Require DOT to provide a grant of $3,750,000 from the SEG appropriation for southeast Wisconsin freeway rehabilitation to the City of Oak Creek for the City's share of the cost of the construction of an interchange on I-94 at Drexel Avenue in the City, if the Department constructs an interchange at that location.

17. DANE COUNTY CTH KP REPAVING PROJECT

Require DOT to complete a repaving project during the 2009-11 biennium on Dane County CTH KP between the Villages of Cross Plains and Mazomanie in conjunction with, but following the completion of, a highway rehabilitation project on USH 14 between Cross Plains and Mazomanie.

18. GULF WAR VETERANS BRIDGE

Require DOT to designate and mark the bridge on USH 41 over I-94 in Milwaukee County as the Gulf War Veterans Bridge as a living memorial to and in honor of all Wisconsin veterans, living and dead, of the Gulf War.

19. ELIMINATE DRIVER CARD PROVISION

	Chg. to JFC Funding	Positions
SEG-REV	- $3,753,600	
SEG	- $2,656,100	- 23.10

Eliminate a provision of the substitute amendment that would require DOT to issue a driver card for applicants who are unable to provide proof of legal presence in the United States. Delete $1,757,300 SEG in 2009-10 and $898,800 SEG in 2010-11 and 23.1 SEG positions annually and reduce estimated transportation fund revenue by $1,776,800 in 2009-10 and $1,976,800 in 2010-11 to reflect the elimination of this item.

20. THREE-YEAR REGISTRATION FOR FLEETS

Modify a provision of the substitute amendment that would allow the owner of a vehicle fleets with at least 50 vehicles to register the fleet for a three-year period, to reduce the minimum fleet size under this provision from 50 vehicles to 10 vehicles.

21. MANDATORY AUTO INSURANCE

Specify that no person, with certain exceptions outlined below, may operate a motor vehicle upon a highway in this state unless the owner or operator of the vehicle has in effect a motor vehicle liability policy for the vehicle. Specify that this requirement does not apply if the vehicle is being operated with the consent of the owner and any of the following apply: (a) the owner or operator of the motor vehicle has in effect a surety bond with respect to the vehicle that meets current law requirements under the state's law for filing proof of financial responsibility for the future and the bond has been filed with DOT; (b) the owner or operator has made a deposit of cash or securities with the Department meeting current law requirements for filing proof of financial responsibility for the future; (c) the motor vehicle is owned by a self-insurer holding a valid certificate of self-insurance meeting current law requirements for self-insurance; (d) the motor vehicle is operated by a common or contract motor carrier, or is a school bus, a leased or rented vehicle, or human service vehicle, all of which are subject to current law insurance or financial responsibility requirements; or (e) the motor vehicle is owned by or leased to the United States, this or another state, or any county or municipality of this or another state. Specify that any person who violates the mandatory insurance requirement may be required to forfeit not more than $500. Define "motor vehicle liability policy" to mean a policy to which all of the following apply: (a) the policy is issued by an insurer authorized to do a motor vehicle liability business in the state, or, if the policy covers a vehicle that was not registered in the state at the time of the policy's effective date, in another state in which the vehicle was registered or the owner or operator resided at that time; (b) the policy is to or for the benefit of the person named in the policy as the insured; and (c) the policy

meets minimum coverage and other requirements under the state's financial responsibility law. Define "motor vehicle," for the purposes of this provision, as a self-propelled vehicle, excluding farm tractors, well drillers, road machinery, snowmobiles, and all-terrain vehicles.

Specify that no person, with the exceptions outlined above, may operate a motor vehicle in this state unless the person, while operating the vehicle, has in his or her immediate possession proof that he or she is in compliance with motor vehicle insurance requirements. Specify that the operator of a motor vehicle would be required to display the proof of insurance upon demand from any traffic officer. Specify that any person who violates this requirement may be required to forfeit $10, but specify that such a violation would not subject to current law assessments, penalties, and surcharges that are levied for other traffic violations. Specify that a person cannot be convicted of this offense if the person provides proof that he or she was in compliance with the mandatory insurance provisions at the time the citation was issued. This proof could be provided either in the office of the traffic officer who issued the citation or at the person's court appearance.

Specify that no person may do any of the following for purposes of creating the appearance of satisfying the motor vehicle insurance requirements: (a) forge, falsify, counterfeit, or fraudulently alter any proof of insurance, policy of insurance, or other insurance document, or possess any forged, falsified, fictitious, counterfeit, or fraudulently altered proof of insurance, policy of insurance or other insurance document; or (b) represent that any proof of insurance, policy of insurance, or other insurance document is valid and in effect, knowing or having reason to believe that the proof of insurance, policy of insurance, or other insurance document is not valid or not in effect. Specify that any person who violates this prohibition may be required to forfeit not more than $5,000.

Specify that a traffic officer may not stop or inspect a vehicle solely to determine compliance with motor vehicle insurance requirements, but that this does not limit the authority of a traffic officer to issue a citation for an insurance violation that is observed in the course of a stop or inspection made for other purposes. Specify that a traffic officer may not take a person into physical custody solely for a violation of insurance requirements.

Specify that any deposit received by DOT (in lieu of having a motor vehicle insurance policy) must be maintained in an interest-bearing trust account (separate from the transportation fund), held for the benefit of the depositors and potential claimants against the deposit, and shall be applied only to the payment of judgments and assignments relating to motor vehicle accidents. Require DOT, upon request, to consent to the immediate cancellation of any bond filed with the Department or to return any deposit of money or securities (in lieu of insurance), if any of the following apply: (a) the owner or operator of a motor vehicle provides satisfactory proof that the owner or operator has a motor vehicle insurance policy or provides proof that the insurance requirements do not apply to the vehicle; (b) the person on whose behalf the bond was filed or deposit made has died, has become permanently incapacitated to operate a motor vehicle, or no longer maintains a valid driver's license; or (c) the person on whose behalf the bond was filed or deposit made no longer owns any motor vehicle registered by the Department. Specify that DOT may not consent to the cancellation of any bond or the return of a deposit if any action for damages upon the bond or deposit is then pending or any

judgment against the person is then unsatisfied. Specify that if a judgment is in excess of the minimum motor vehicle insurance policy requirements, the judgment is considered satisfied if payments have been made in the amounts equaling the minimum coverage requirements. Specify that an affidavit of the applicant for cancellation of a bond or return of a deposit that he or she satisfies these requirements is sufficient for the Department to consent to the cancellation or return, in the absence of evidence in DOT's records contradicting the affidavit.

Specify that current law operator's license and vehicle registration suspension provisions for violations under the state's safety responsibility law do not apply if the operator or owner of the motor vehicle was in compliance with the motor vehicle insurance or financial responsibility law requirements at the time of the accident, but specify that any person who fails to comply with insurance requirements is subject to current law safety responsibility law procedures and requirements.

Require DOT to include with each operator's license a notification of the motor vehicle insurance requirements and associated penalties for violations.

Specify that these provisions take effect on the first day of the twelfth month beginning after the bill's general effective date.

Require DOT to promulgate rules, and prescribe any necessary forms, to implement and administer these mandatory insurance requirements. Require DOT to submit the rules in proposed form to the Legislative Council staff no later than the first day of the ninth month beginning after the general effective date of the bill. Require DOT to promulgate emergency rules no later than that date, which would remain in effect until July 1, 2012, or the date on which the permanent rules take effect, whichever is sooner.

22. ELIMINATE CHANGES TO DRIVER'S LICENSE SUSPENSION FOR FAILURE TO PAY A TRAFFIC JUDGMENT

Eliminate a provision of the substitute amendment that would reduce the maximum period of driver's license suspension for the failure to pay a traffic violation forfeiture from two years to 90 days.

23. PRIMARY SEAT BELT ENFORCEMENT

Specify that provisions in the substitute amendment establishing primary enforcement of the state's seat belt laws and converting the $10 forfeiture for failing to wear a seat belt from permissive to mandatory do not apply if the budget bill does not take effect on or before June 30, 2009.

24. RESTORE FUNDING FOR STATE PATROL POSTS IN SPOONER AND TOMAH

	Chg. to JFC
SEG	$248,400

Provide $85,300 in 2009-10 and $163,100 in 2010-11 to restore funding associated with the State Patrol posts in Spooner and Tomah.

25. DOT COLLABORATION WITH DNR ON TOMAH FACILITIES

Require DOT, during the 2009-11 biennium, to consult with DNR concerning the shared use of administrative facilities used by the State Patrol and the Department of Natural Resources in or near the City of Tomah.

SHARED REVENUE AND TAX RELIEF

1. INCREASE FIRST DOLLAR CREDIT

	Chg. to JFC
GPR	$15,000,000

Increase the credit distribution by $15,000,000 for property tax year 2009(10) and by an additional $5,000,000 for property tax year 2010(11) and thereafter. This would result in distributions of $145,000,000 in 2010-11 and $150,000,000 in 2011-12, and thereafter. The fiscal effect for this provision is reported as $15,000,000 because only the initial increase would occur in the 2009-11 biennium. The second increase, of $5,000,000, would occur in the first year of the 2011-13 biennium.

2. EXPENDITURE RESTRAINT PROGRAM BUDGET TEST

Modify the substitute amendment regarding the expenditure restraint program's budget test as follows: (a) modify the provision setting the minimum change under the "inflation factor" at 0% by increasing that amount to 3%; and (b) modify the one-time adjustment for municipalities also receiving aid under the payments for municipal services program by basing the adjustment on the aid payment in 2009, rather than 2010, under the payments for municipal services program.

3. MAINTENANCE OF EFFORT FOR POLICE AND FIRE PROTECTION SERVICES

Modify the substitute amendment regarding maintenance of effort for police and fire protection services to add capital expenditures to one-time expenses as items that may be excluded from the maintenance of effort requirement. Specify that the Department of Revenue may adjust the reported amounts to ensure that excluding any one-time expenses or capital

expenditures does not compromise the level of service for providing emergency services. In addition, specify that the definition of emergency services under this provision includes only those emergency services expenditures that are funded with payments under the county and municipal aid program.

4. PROPERTY TAX EXEMPTION FOR RETIREMENT HOMES FOR THE AGED

Modify the substitute amendment provision creating a property tax exemption for retirement homes for the aged as follows: (a) reduce the valuation threshold used to distinguish between taxable and exempt individual dwelling units within retirement homes for the aged, from 160% to 100% (under the substitute amendment, the fair market value of an individual dwelling unit must be below 160% of the average equalized value of improved parcels of residential property in the same county); (b) delete the provision directing assessors to exclude the value of any common area in determining the value of individual dwelling units in applying the valuation threshold; and (c) change the title of the subsection to "Benevolent Retirement Homes for the Aged" and specify that property must be owned by a benevolent association in order to be exempt.

5. DEFINITION OF AGRICULTURAL LAND FOR PROPERTY TAX PURPOSES

Modify the definition of agricultural land for purposes of property taxation to exclude any land that is platted or zoned for residential, commercial, or industrial use. Specify that this provision would first apply to properties assessed as of January 1, 2010.

6. ONE-YEAR EXTENSION OF TIF DISTRICTS FOR AFFORDABLE HOUSING PURPOSES

Specify that after the date on which a tax incremental (TIF) district created by a city (defined under current law to include villages) pays off the aggregate of all of its project costs a city may extend the life of the district for one year if the city does all of the following:

a. adopts a resolution that extends the life of the TIF district for a specified number of months and specifies how the city intends to improve its housing stock; and

b. forwards a copy of the resolution to the Department of Revenue (DOR) notifying the Department that it must continue to authorize the allocation of tax increments to the district.

Specify that if DOR receives a notice, it shall continue authorizing the allocation of tax increments to the district during the TIF district's life, as extended by the city, as if the district's costs had not been paid off and without regard to whether any of the existing statutory time periods would otherwise require terminating the allocation of such increments (20 to 27 years, depending on the when the district was created).

Require that if a city receives tax increments under this provision, the city must use at

least 75% of the increments received to benefit affordable housing in the city. Define "affordable housing" as housing that costs a household no more than 30% of the household's gross monthly income. Define "household" as an individual and his or her spouse and all minor dependents. Specify that the remaining portion of the increments shall be used by the city to improve the city's housing stock.

Specify that these provisions would first take effect on October 1, 2009.

7. BURNETT COUNTY TEMPORARY SALES TAX

Specify that the Burnett County board could adopt and ordinance to increase its sales and use taxes for up to a three-year period from a 0.5% rate to 1.0% rate if the increase is approved by a majority of the electors of the county at a countywide referendum. Specify that revenues from the increased taxes could only be used for the purpose of upgrading radio towers in order to satisfy the Federal Communications Commission requirements to update a radio frequency with a narrow bandwith by 2013.

Specify that the ordinance increasing the taxes must be effective on the first day of January, the first day of April, the first day of July, or the first day of October. Require that a certified copy of the ordinance be delivered to the Secretary of the Department of Revenue at least 120 days prior to its effective date. Specify that a certified copy of a repeal ordinance of the tax must be delivered to the Secretary at least 120 days before the effective date of the repeal and that the repeal must take effect on December 31. Specify that the tax may be imposed for no more than three years from the date on which the tax is first imposed.

GENERAL PROVISIONS

1. PUBLIC WORKS CONTRACTS AND BIDS -- RESPONSIBLE BIDDER

Modify the definition of "public contract" under municipal law governing public works projects to include contracts for demolition, grading, alteration, painting, or decorating, in addition to construction, execution, repair, remodeling, or improvement (included under current law). Add "expenditures related to" both the current law types of work and the new items to the definition of a public contract. Include such expenditures or contracts related to public land to the definition, in addition to those related to public works or buildings, or for the furnishing of supplies, material of any kind, or proposals which are required to be advertised, which are included under current law.

Define "service and maintenance work" to mean work performed directly by the

municipality on facilities or equipment that is routinely performed on those facilities or equipment to prevent breakdown or deterioration, including minor pavement patching (not including overlays), pavement crack filling, pavement chip or slurry seal with a projected life span of not longer than five years, road shoulder maintenance, and cleaning of drainage and sewer ditches. Specify that a contract for or an expenditure related to service and maintenance work would be excluded from the definition of a public contract.

Specify that all public contracts of a "municipality," except those let by the state, a school district, or board of school directors, would be required to be let on the basis of competitive bids, and be awarded to the lowest responsible bidder. For purposes of this provision, a "municipality" would include a town, city, village, county, sewer district, drainage district, technical college district, regional transit authority, the KRM authority, or other public or quasi-public corporation, officer, board or other public body charged with the duty of receiving bids for and awarding any public contracts. [Regional transit authorities and the KRM authority would also be included in the definition of a "municipality" for the general purposes of the public works, contracts, and bids provisions of current law, while counties would be included only for the competitive bid and lowest responsible bidder requirements.] Such contracts would be subject to the current state law provisions governing public works contracts, including such things as the form of the contract, payment of prime and subcontractors, and performance bond requirements. Specify that the lowest responsible bidder requirement would not apply to the following public contracts: (a) those estimated to cost less than $25,000; (b) those in response to a public emergency; or (c) those for which all the materials are donated or all the labor is provided by unpaid volunteers. Specify that a public emergency would be determined by the governing body of the "municipality" and that the emergency would no longer exist once so determined by a majority vote of the governing body.

Prohibit a "municipality" from subdividing a project into more than one public contract, allocating the work or workers in any manner, or transferring jurisdiction of a project to avoid the competitive bid and lowest responsible bidder provisions. Specify that if a "municipality" does not receive any responsible bids, it would be authorized to contract with another "municipality," other than a county, or perform the work directly without being subject to the competitive bid and lowest responsible bidder requirements.