

Miscellaneous

**AGRICULTURE, TRADE AND
CONSUMER PROTECTION**

1. GRAZING LANDS INITIATIVE

	Chg. to JFC
SEG	\$800,000

Provide \$400,000 SEG annually from the agrichemical management (ACM) fund for a grant to the Wisconsin Grazing Lands Conservation Initiative (WGLCI) for technical education and research.

The Wisconsin Grazing Lands Conservation Initiative is an organization with a mission of improving and expanding the use of grazing-based systems of livestock production on private land that are practical and profitable for farmers and to foster environmental stewardship.

Under SSA 1 as amended by this provision, the ACM fund would be projected to have a July 1, 2009, balance of approximately \$1.6 million.

EMPLOYMENT RELATIONS COMMISSION

1. DISCIPLINARY PROCEDURES FOR LAW ENFORCEMENT OFFICERS AND FIRE FIGHTERS

Provide that, notwithstanding the current law provision for an appeal of a disciplinary order to the circuit court, a collective bargaining agreement entered into between law enforcement and fire fighting personnel and a municipal employer may contain dispute resolution procedures, including arbitration, that address the suspension, reduction in rank, suspension and reduction in rank, or removal of such personnel. If the procedures include arbitration, the arbitration hearing would be required to be public and the decision of the arbitrator must be issued within 180 days of the conclusion of the hearing. Repeal a current law provision that a court order sustaining a disciplinary decision of a tribunal is final and conclusive.

Provide that in a bargaining unit containing fire fighting or law enforcement personnel, the municipal employer would be prohibited from bargaining collectively with respect to: (a) the prohibition of access to arbitration as an alternative to the disciplinary procedures under current law; (b) the reduction of current law standards relating to the determination of just

cause to sustain charges against fire fighting or law enforcement personnel; and (c) the payment of compensation in a way that is inconsistent with the current law provision that no person may be deprived of compensation while suspended, pending the disposition of charges.

The treatment of these provisions would first apply to fire fighters and law enforcement personnel who are affected by a collective bargaining agreement that contains provisions that are inconsistent with that treatment on the day on which the agreement expires, or is extended, modified, or renewed, whichever occurs first.

Under current law, a law enforcement officer or fire fighter employed by a city (other than the City of Milwaukee), village, town or county may not be suspended, reduced in rank, suspended and reduced in rank, or dismissed by a grievance committee, civil service commission, county board, or board of police and fire commissioners (a tribunal) unless the tribunal determines that there is just cause to sustain the charges that have been brought against the officer or fire fighter. If the charges are sustained and the officer or fire fighter is disciplined by the tribunal, he or she may appeal the order to circuit court, except that a county law enforcement officer, under a recent decision of the Wisconsin Supreme Court (Eau Claire County v. General Teamsters Union Local No. 662, 2000 WI 57), may proceed either with an appeal to circuit court or with the grievance procedures, including arbitration, in the officer's collective bargaining agreement. The trial based on the appeal is before the court, which must determine whether there is just cause to sustain the charges against the accused officer or fire fighter and the tribunal's order. If the charges and the tribunal's order are sustained, the tribunal's order is final and conclusive but, if reversed, the officer or fire fighter is reinstated and entitled to pay as though he or she were in continuous service. Similar procedures, other than the just cause standard, apply to police officers employed by the City of Milwaukee.

Under the SB 40 provision, the subordinate would be provided with one of two appeal options from a PFC order: (a) the Circuit Court (as provided under current law); or (b) an alternative procedure negotiated under a collectively bargained alternative (as would be provided under SB 40).

The amendment would permit collective bargaining agreements to establish different dispute resolution procedures, including arbitration, than those provided under current law (PFC or other tribunal review and an option to appeal to the Circuit Court). Further, a municipal employer would be prohibited from bargaining collectively with respect to any prohibition of access to arbitration as an alternative to the disciplinary procedures under current law. As a result, each law enforcement or fire fighter collective bargaining agreement would be allowed to specify dispute resolution procedures applicable to the employees covered by each agreement. Finally, because the amendment removes the current law provision that the order of a PFC is final and conclusive, if it is affirmed by the Circuit Court, it would allow a subordinate to appeal an affirmed order to the Court of Appeals and, potentially, to the Supreme Court.

GENERAL FUND TAXES

1. THREE-TIER LIQUOR DISTRIBUTION SYSTEM

Modify current law with respect to the three-tier intoxicating liquor distribution system (which includes wine and distilled spirits).

Background

Under current law, alcohol beverages are generally distributed to consumers under a three-tier distribution system: the manufacturer may sell only to a wholesaler or rectifier; the wholesaler or rectifier may sell only to a wholesaler or to a retailer; and the retailer may sell only to the consumer. With specific exceptions, no person may sell outside of the three-tier system. With limited exceptions, a manufacturer or rectifier may not hold any direct or indirect interest in a wholesaler, and a manufacturer, rectifier, or wholesaler may not hold any direct or indirect interest in a retailer.

Under current law, DOR is authorized to enter into agreements with other states that allow a winery in one state to ship to individuals in the other state up to 27 liters of wine per year. The wine tax is paid by the wine shipper to the state from which the wine is shipped. Out-of-state wineries shipping into Wisconsin under reciprocity agreements are required to submit annual reports to the state detailing such sales. Currently, Wisconsin has reciprocal agreements with the States of California, Oregon, and Washington.

Proposal

Eliminate the current provisions that authorize reciprocal wine agreements and, instead, create a new type of permit, a "direct wine shipper's permit," to authorize and regulate direct shipments of wine. Make additional modifications to the regulation of intoxicating liquor as described below.

New Provisions on Direct Wine Shippers' Permits

Authorized Activities. Require DOR to issue direct wine shippers' permits authorizing a permittee to ship wine directly to an individual in this state who is of the legal drinking age, who acknowledges, in writing, receipt of the wine shipped, and who is not intoxicated at the time of delivery. Specify that a signature on the delivery form of the common carrier by a person of legal drinking age would indicate acknowledgement of the delivery in writing.

Annual Permit Fee. Require DOR to charge the following annual fees for each direct wine shipper's permit: (a) for permittees that ship more than 90 liters of wine annually to individuals

in this state, \$1,000; (b) for permittees that ship between 27 and 90 liters of wine annually to individuals in this state, \$500; and (c) for permittees that ship less than 27 liters of wine annually to individuals in this state, \$100.

Persons Eligible. Specify that a direct wine shipper's permit may be issued to any person who manufactures and bottles wine on premises covered by: (a) a valid state manufacturer's or rectifier's permit; (b) a state winery permit; or (c) a winery license, permit, or other authorization issued to the winery by any state from which the winery will ship wine into this state.

In addition, provide that a winery located outside of this state is eligible for a direct wine shipper's permit if the following apply: (a) the winery holds a valid Wisconsin business tax registration certificate; and (b) the winery submits to DOR, with any initial application or renewal for a business tax registration certificate or a direct wine shipper's permit, a copy of any current license, permit, or authorization issued to the winery by the state from which the winery will ship wine into this state. In addition, specify the following provisions, notwithstanding general qualifications that otherwise apply for licenses and permits under the alcoholic beverage statutes: (a) natural persons obtaining direct wine shippers' permits are not required to be residents of this state; (b) a person is not required to complete a responsible beverage server training course to be eligible for a direct wine shipper's permit; and (c) corporations or limited liability companies obtaining direct wine shippers' permits are not required to appoint agents.

Annual Report Required. Require a direct wine shipper permittee to submit a report to DOR, by January 31 of each year, on forms furnished by DOR, providing the identity, quantity, and price of all products shipped to individuals in this state during the previous calendar year, along with the name, address, and birth date of each person who purchased such products and each person to whom the products were shipped.

Labels. Specify that containers of wine shipped to an individual in this state under a direct wine shipper's permit must be clearly labeled to indicate that the package may not be delivered to an underage person or to an intoxicated person.

Restrictions on Use of Wine. Provide that no individual may sell wine received under these provisions or use it for a commercial purpose.

Annual Limit. Specify that no individual in this state may receive more than 27 liters of wine annually under these provisions, and no permittee may ship more than 27 liters of wine annually to an individual in this state. The annual limit would not apply to purchases made under a medicinal alcohol permit.

Penalties. Provide that failure to comply with the requirements of these provisions and certain additional provisions specified under the alcoholic beverage tax statutes pertaining to

wine shipped directly to individuals in this state (as created under the proposal and described below) would carry a penalty of revocation of the permit by the Secretary of DOR.

Modifications to Alcoholic Beverage Tax Statutes Related to Direct Shipments of Wine

Currently, provisions authorizing DOR to negotiate reciprocal wine agreements with other states are included under the statutes imposing an occupational tax on alcoholic beverages. The reciprocal wine agreement provisions specify that an agreement may include provisions that this state will tax wine shipped from this state to individuals in another state and that the other state will tax wine shipped to individuals in this state. Under the proposal, the reciprocal wine agreement provisions under the tax statutes would be eliminated and replaced with the following provisions:

a. All wine shipped directly to an individual located in Wisconsin by a person holding a direct wine shipper's permit must be sold with the state's occupational tax on wine included in the selling price. Each person holding a direct wine shipper's permit must be required to file an addendum to the required monthly liquor tax return, on forms furnished by DOR, that provides, at minimum, the identity, quantity, and price of all wine shipped to individuals in this state during the previous calendar month, along with the name, address, and birth date of each person who purchased the wine and a copy of the signature provided by the person of legal drinking age who acknowledged delivery of the wine. DOR must also develop a form for recording an attestation of the delivery person who received the proof of age identification provided at the time of delivery and determined that the recipient was not intoxicated.

b. Any failure of a person holding a direct wine shipper's permit to pay the occupational tax or file the required addendum within 30 days of its due date constitutes grounds for revocation or suspension of the permit. Certain provisions on timely filing with respect to income and franchise taxes also apply to the tax and addendum required under these provisions.

Based on these provisions, a person holding a direct wine shipper's permit would be subject to the occupational tax on intoxicating liquor and associated reporting requirements, recordkeeping, and enforcement provisions.

References to Reciprocal Wine Agreements

In addition, repeal current references to the reciprocal wine agreements under provisions related to manufacturers' and rectifiers' permits, winery permits, out-of-state shippers' permits, and shipments of intoxicating liquor into the state. With respect to out-of-state shippers' permits, replace current provisions providing an exception to requirements that otherwise apply for such permits in the case of wineries in states with reciprocal agreements (when such wineries also satisfy certain additional requirements) with a provision specifying that a winery located out of this state may ship wine into this state as provided under the direct wine

shipper's permit provisions and would not be required to obtain an out-of-state shipper's permit.

Out-of-State Shippers' Permits

In addition to repealing references to the reciprocal wine agreements and certain other provisions that would be incorporated into the direct wine shipper's permit provisions, the proposal would make an additional modification to current law. Currently, with the exception of shipments from a winery in compliance with the exception to the out-of-state shipper's permit requirements described above (and who also meets certain additional requirements), intoxicating liquor may be shipped into this state to a person holding a manufacturer's, rectifier's, wholesaler's, industrial alcohol, or medicinal alcohol permit. The proposal would specify, instead, that intoxicating liquor may be shipped into this state only to a person holding an in-state wholesaler's permit or, in the case of a shipment from an out-of-state manufacturer or rectifier with an out-of-state shipper's permit, to an in-state wholesaler or an in-state manufacturer or rectifier. In contrast to current law, an out-of-state wholesaler would not be permitted to ship to anyone other than an in-state wholesaler, and an out-of-state manufacturer or rectifier would not be permitted to ship to anyone other than an in-state wholesaler, manufacturer, or rectifier.

Provisions on Shipments of Intoxicating Liquor into the State

With respect to shipments of intoxicating liquor into the state, the proposal would make certain additional modifications to current law, as described below. Current law provides that, with the exception of shipments from a winery in compliance with the current exception to the out-of-state shipper's permit requirements (and who also meets certain additional requirements) the following provisions apply: (a) no intoxicating liquor may be shipped into this state unless consigned to a person (underline added for emphasis) holding a permit for the sale of intoxicating liquor, other than a retail "Class B" permit (which allows retail sales for both on- and off-premises consumption); and (b) no common carrier or other person may transport into and deliver within this state any intoxicating liquor unless it is consigned to a person holding a permit for the sale of intoxicating liquor, other than a retail "Class B" permit. Any common carrier violating "b" is required to forfeit \$100 for each violation.

The proposal would replace the references to the reciprocal wine agreements with references to the proposed direct wine shippers' permits, but would retain the penalty of \$100 for each violation by common carriers. In addition, the proposal would modify the references to person (where underlined, above) as follows:

a. The reference to person described under "a" would be replaced with a reference to a person holding an in-state intoxicating liquor wholesaler's permit or, in the case of a shipment from a manufacturer or rectifier with an out-of-state shipper's permit, to a person holding an in-state manufacturer's or rectifier's permit or an in-state wholesaler's permit. Under the proposal, an in-state manufacturer or rectifier could receive shipments from an out-of-state

manufacturer or rectifier or an in-state wholesaler, but could no longer receive shipments from an out-of-state wholesaler. In addition, a person with a winery permit would not be able to receive shipments from an out-of-state wholesaler or from a manufacturer or rectifier.

b. The reference to person described under "b" would be replaced with a reference to a person holding an in-state intoxicating liquor wholesaler's permit. Under this provision, a common carrier would only be permitted to deliver intoxicating liquor to a person with an in-state wholesaler's permit (or as provided under the provisions on direct wine shippers' permits). A common carrier could no longer deliver intoxicating liquor to other types of non-retailer, in-state permittees.

Other Proposed Statutory Changes

Restatement of Legislative Intent. Current law states that the statutes regulating alcoholic beverages are to be construed as an enactment of the Legislature's support for the three-tier system for alcohol beverages production, distribution, and sale that, through uniform statewide regulation, provides this state regulatory authority over the production, storage, distribution, transportation, sale, and consumption of alcohol beverages by and to its citizens, for the benefit of the public health and welfare and this state's economic stability. The proposal would, in addition, state the following: (a) that without the three-tier system, the effective statewide regulation and collection of state taxes on alcoholic beverage sales would be seriously jeopardized; (b) that it is further the intent of the Legislature that without a specific statutory exception, all sales of alcohol beverages shall occur through the three-tier system, from manufacturers to licensed wholesalers to retailers to consumers; and (c) that face-to-face sales at licensed premises directly advance the state's interest in preventing alcohol sales to underage or intoxicated persons.

Face-to-Face Sales on Retail Premises. Under current law, retail "Class B" licenses for intoxicating liquor require the retail sales to be made on the premises specified in the license. While retail sales are generally face-to-face sales, the statutes do not explicitly require face-to-face sales. In addition, certain sales are permitted that are not face-to-face sales, such as the stocking, for the purpose of making sales, of intoxicating liquor in a guest's room in a hotel or a skybox or coliseum suite). In addition, DOR has interpreted current law to permit a caterer with a "Class B" license to supply personnel to dispense alcoholic beverages at catered functions. (However, this does not include authority for a caterer to set up a "cash bar" at such events.) The proposal would specifically provide that a retail license would authorize only face-to-face sales to consumers at the licensed premises. However, the specific exceptions under current law, including DOR's interpretation with respect to caterers, would continue to apply.

Current law does not provide a definition of the term "caterer." The proposal would define the term to mean, for purposes of these provisions, any person holding a state restaurant permit who is in the business of preparing food and transporting it for consumption on premises where gatherings, meetings, or events are held, if the sale of food at each gathering, meeting, or event accounts for greater than 50% of the gross receipts of all the food and

beverages served at the gathering, meeting, or event. (This is the same definition used in a separate provision relating to sales of alcohol at the National Railroad Museum.)

Permitted Actions of Manufacturers and Rectifiers. Manufacturers' and rectifiers' permits authorize the manufacture or rectification, respectively, of intoxicating liquor on the premises covered by the permit. In addition, a person holding a manufacturer's or rectifier's permit may manufacture, bottle, or wholesale wine without procuring a winery permit. A manufacturer's or rectifier's permit entitles the permittee to sell intoxicating liquor from the premises described in the permit. Holders of rectifiers' permits may sell intoxicating liquor rectified by the permittee to retailers without any other permit. No sales may be made for consumption on the premises of the permittee.

The proposal would modify current law such that a person holding a manufacturer's or rectifier's permit would not be authorized to wholesale wine, and would be permitted to sell intoxicating liquor only to licensed wholesalers and to other manufacturers and rectifiers holding a state manufacturer's or rectifier's permit. (In related provisions, the proposal would repeal current provisions that permit a brewer with a manufacturing permit to hold a permit for the wholesale sale of wine). In addition, the following provisions under current law would be repealed: (a) provisions authorizing a holder of a rectifier's permit to sell intoxicating liquor rectified by the permittee to retailers without holding any another permit; (b) provisions related to sales areas in which rectifiers are acting as distributors (which the proposal would not authorize); and (c) provisions related to shipments of wine by a winery operating under a manufacturer's permit to individuals in states with reciprocal wine agreements.

Winery Permits. Under current law, a winery permit authorizes a manufacturing winery to manufacture and bottle wine on the premises covered by the permit for sale at wholesale to other licensees or permittees. The proposal would authorize such sales only to licensed wholesalers, which would prevent a winery with a manufacturing permit from operating as a wholesaler.

Restrictions on Dealings Between Manufacturers, Rectifiers, Wholesalers, and Retailers. The proposal would modify the following provisions under current law pertaining to restrictions between dealings of intoxicating liquor manufacturers, rectifiers, wholesalers, and retailers:

Interest Restrictions. Under current law, with limited exceptions, a manufacturer or rectifier may not hold any direct or indirect interest in a wholesaler, and a manufacturer, rectifier, or wholesaler may not hold any direct or indirect interest in a retailer. The proposal would specify that the same restrictions would apply in the case of a winery and an out-of-state shipper permittee. The proposal would also prohibit an intoxicating liquor retailer from holding any direct or indirect interest in any manufacturer, rectifier, or winery (as is the case under current law with respect to an intoxicating liquor retailer having an interest in a wholesaler).

In addition, the proposal would eliminate most of the exceptions to the current restrictions on manufacturers, rectifiers, and wholesalers having an interest in intoxicating liquor retailers (other than those with licenses for sales for off-premises consumption only), including the exceptions that currently permit the following: (a) a wholesaler to have an interest in a corporation that owns and operates a golf course and leases premises on the golf course to the holder of a retail intoxicating liquor permit if both the wholesaler and retail permits were issued before June 1, 1981; (b) a brewer to hold both an intoxicating liquor retail license for the sale of liquor on brewery premises and a wholesaler's permit for the wholesale sale of wine only; and (c) a manufacturer that is also a brewer to hold a permit for the wholesale sale of wine [and related current law provisions that specify that the certain persons are not prohibited from obtaining a permit to solicit for future sales of intoxicating liquor]. While the current law exceptions described above would be eliminated, a current exception that allows a winery with a winery permit to have an ownership interest in a retail license for the sale of wine to be consumed by the glass or in opened containers on the premises where sold and also authorizes the sale of wine for off-premises consumption would continue to apply.

In addition, along with the repeal of "b," above, as an exception to the current interest restrictions, the proposal would repeal provisions that currently permit a brewer with a manufacturing permit to also hold a permit for the wholesale sale of wine.

Retail Purchase Credit Restrictions. The proposal would delete a current provision specifying that, for purposes of the restrictions on dealings between manufacturers, wholesalers, and retailers, a person holding both an intoxicating liquor wholesale permit and an intoxicating liquor retail license would be deemed an intoxicating liquor retailer.

Campuses and Retailers to Purchase from Persons Holding Permits. The proposal would remove manufacturers and rectifiers from the persons that a campus or retail licensee or permittee would be permitted to purchase intoxicating liquor from (or to possess intoxicating liquor purchased from).

Records and Reports. The proposal would require DOR to publish and make available on its website a current and regularly updated list of intoxicating liquor permit holders that minimally includes detailed information on the name, address, contact person, and date of permit issuance for every manufacturer and rectifier permit, winery permit, direct wine shipper's permit, wholesaler permit, and out-of-state shipper permit.

Severability. The proposal would specify that if any provision or clause of Chapter 125 on alcoholic beverages or its application to any person or circumstances is held invalid, the invalidity will not affect other provisions or applications of the Chapter that can be given effect without the invalid provision or application, and to this end the provisions of the Chapter are severable.

GENERAL PROVISIONS

1. OBSERVATION OF JUNETEENTH DAY

Provide the June 19 would be designated as Juneteenth Day and appropriate celebrations may be held in commemoration of that day. Provide that when June 19, falls on a Sunday, celebrations of Juneteenth Day may be held on either June 18, or June 20. The provision would not make Juneteenth Day a paid holiday for state employees.

NATURAL RESOURCES

1. AQUATIC INVASIVE SPECIES DONATIONS

	Chg. to JFC
SEG	\$100,000

Allow any applicant for a fishing license or boat registration to elect to make a voluntary contribution to be used for grants to control aquatic invasive species. In addition, require DNR to ensure that any application form, including an electronic form, for a fishing license or boat registration include a designation that allows the applicant to specify an additional amount as a voluntary contribution for the control of aquatic invasive species. Specify that fishing licenses developed and issued by the Lac du Flambeau band are exempt from this provision. Further, create a continuing appropriation for the distribution of grants for the control of aquatic invasive species into which all moneys received from the aquatic invasive species donations are deposited.

Under current law, a person purchasing a deer, bear, turkey, or small game hunting license may make a voluntary contribution of at least \$1 for the venison processing program. In addition, applicants for a fishing license may make a voluntary contribution of \$1 and applicants for a boat registration may make a voluntary contribution of \$3 for lake research. Venison processing donations have averaged approximately \$18,000 annually over the last three years, and voluntary contributions for lake research have averaged approximately \$45,000. While the level of donations is not known, a voluntary contribution for the control of aquatic invasive species could bring in similar revenue to the voluntary contribution for lake research, or approximately \$50,000 annually. However, the invasives donation also may result in some reduction in the amount contributed to lake research. Revenues generated would provide local grants for invasive species management in addition to the \$1.8 million in water resources SEG appropriated under SSA 1.

PUBLIC INSTRUCTION

1. LA CAUSA CHARTER SCHOOL GRANT

	Chg. to JFC
SEG	\$250,000

Provide \$250,000 in 2007-08 for the La Causa Charter School in Milwaukee for library, science, and technology improvements. Funding for the grant is provided through the state segregated universal service fund, which is funded through assessments on annual gross operating revenues from intrastate telecommunications providers.

REGULATION AND LICENSING

1. METHODOLOGY FOR ESTABLISHING INITIAL AND RENEWAL FEES

	Chg. to JFC
GPR-REV	-\$1,847,500

Allow the Department (R&L) to set initial and renewal credential fees administratively, rather than by statute. Specify that these rules would not be subject to administrative rule procedures. Delete statutorily specified fee levels. Require R&L to determine the fee level of each initial credential for which no examination is required, for reciprocal credentials, and for all credential renewals, based on the administrative costs of the Department that are attributable to the regulation of each occupation or business regulated by the Department. Specify that R&L would recalculate these costs by January 31, of each odd-numbered year, for the succeeding fiscal biennium, beginning with the 2009-11 biennium.

Require the Department to send a report to the Co-chairpersons of Joint Committee on Finance, within 14 days of completing the proposed fee adjustments. Specify that the Committee would have 14 working days after the submission of the report to notify the Secretary that the Committee has scheduled a meeting for review the proposed adjustments. Specify that if notification is not provided by the Committee within 14 days of receiving the report, the proposed fee adjustments would be considered approved. Once the fees are approved, require the Department to post the fee adjustments on the R&L internet web site and in credential renewal notices sent to affected credential holders.

Require the Department to lapse \$2,920,600 in 2007-08 and \$982,100 in 2008-09 from its general program operations appropriation and \$355,900 in 2007-08 for examinations operations

appropriation. Reestimate the amount of GPR-Earned by -\$912,400 in 2007-08 and -\$935,100 in 2008-09 related to deleting the Joint Finance provisions that would have specified a one-time \$5 credential fee assessment.

2. WHOLESALE DRUG DISTRIBUTORS

Delete the Joint Committee on Finance recommendation for the regulation of wholesale drug distributors under the Department of Regulation and Licensing. Maintain the current law fees for the regulation of drug distributors (an initial fee of \$53 and a renewal fee of \$70). Delete \$128,000 PR in 2007-08 and \$72,600 PR in 2008-09 under R&L's general program operations for the regulation of wholesale drug distributors. Reestimate the amount of funding received from license fees by -\$22,000 GPR-REV and -\$200,600 PR-REV in 2007-08.

	Chg. to JFC
GPR-REV	- \$22,000
PR-REV	- 200,600
PR	- \$200,600

The Joint Finance recommendation would have repealed parts of the current law requirements for the regulation of drug distributors and replaced it with requirements that every wholesale distributor who engages in the wholesale distribution of prescription drugs must be licensed by the state licensing authority in the state in which it resides and requiring all non-resident wholesale distributors to be licensed in Wisconsin if they ship prescription drugs into the state. The Committee's recommendation would have also specified the ways in which drug transactions could occur and specified tracking requirements.

SHARED REVENUE AND TAX RELIEF

1. PUBLIC UTILITY AID -- FORMULA CHANGES

Modify current law provisions related to state aid payments to municipalities and counties containing production plants as follows. Discontinue the nine-mill utility aid payments on production plants that began operation prior to 2004 and authorize payments under the provisions created by 2003 Wisconsin Act 31 that result in payments of \$2,000 per megawatt of capacity, or \$4,000 per megawatt of capacity if the production plant derives energy from an alternative energy resource, provided the municipality where the production plant is located receives a higher payment under the capacity-based distribution formula. Provide that after a payment for a production plant is made under the capacity-based distribution formula, subsequent payments cannot be made under the nine-mill formula. Repeal the current law provision that limits the value used to calculate payments under the nine-mill formula to no less than the value used to calculate payments in 1990. Extend these provisions to aid payments beginning in 2009. Require the

Department to convene a study group by December 31, 2008, comprised of residents of communities that host public utility property, representatives of light, heat, and power companies, electric cooperatives, and municipal utilities, individuals with expertise related to public utility taxation and transmission line siting, and any other individuals who DOR believes to have expertise related to the study to assess the feasibility and desirability of imposing local general property taxes, or their equivalent, on property, other than production plants, of light, heat, and power companies, electric cooperatives, and municipal utilities. Require the study group to issue a report containing its findings and recommendations to the Legislature by May 1, 2009. These provisions would take effect beginning in 2009. Due to this timing, no fiscal effect is reported for the 2007-09 biennium. Under current law, payments for production plants are estimated at \$19.9 million. Under the proposal, aid payments for production plants of \$29.5 million are estimated. Consequently, the provisions would increase aid payments on production plants by an estimated \$9.6 million, beginning in 2009-10.

2. MUNICIPAL AID FOR LOSS OF MANUFACTURING TAX BASE

Create a one-time aid payment in 2008-09 for municipalities with manufacturing tax base reductions. Provide payments to municipalities that meet three eligibility criteria: (a) the full value of taxable manufacturing personal property and real estate equaled at least 3.2% of the municipality's total equalized value in 2005; (b) the taxable full value of manufacturing personal property and real estate, combined, declined by at least 2.0% between 2005 and 2006; and (c) the municipality had a 2005(06) full value tax rate for municipal purposes of at least one mill. Calculate the aid payment to each eligible municipality by subtracting the combined value of manufacturing personal property and real estate in 2006 from the combined value of manufacturing personal property and real estate in 2005, and multiplying the difference by the municipality's 2005(06) full value tax rate for municipal purposes. Pay 15% of each payment in July and the balance of the payment in November of 2008. Fund the payments from the municipal aid account appropriation by reducing the payment in 2008 to each municipality that would otherwise be made from that appropriation by a uniform percentage. Calculate the uniform percentage by dividing the sum of all payments for manufacturing tax base reductions to eligible municipalities by the total distribution for 2008 to all municipalities under the county and municipal aid program. The Department of Revenue would calculate and make payments under this provision using applicable procedures authorized under current law provisions for the county and municipal aid program. It is estimated that this provision would result in aid payments to 74 municipalities totaling \$1.3 million. This would reduce county and municipal aid payments by an estimated 0.2% compared to the amounts under the substitute amendment.

3. PROPERTY TAX EXEMPTION FOR LOW-INCOME HOUSING

Delete the provisions adopted by the Joint Committee on Finance regarding the exemption of low-income residential housing from the property tax.

UNIVERSITY OF WISCONSIN SYSTEM

1. UW-LA CROSSE

Reduce funding by \$4,126,800 PR in 2008-09 and provide \$664,800 GPR in 2008-09 for UW-La Crosse to support its growth and access initiative, which would result in the initiative receiving \$901,400 in 2008-09 (\$664,800 GPR and \$236,600 PR). This funding level is consistent with the UW System's estimate of additional revenues that would be generated by the proposed 2008-09 tuition increase at that campus. Under this modification, the financial aid portion of the initiative (\$225,400) would be 100% GPR funded and the remaining initiative activities would be 65% GPR and 35% PR funded. By providing this GPR funding, the tuition increase at La Crosse would be significantly less than initially proposed.

Chg. to JFC	
GPR	\$664,800
PR	<u>- 4,126,800</u>
Total	- \$3,462,000

2. UW CANCER CENTER -- LUNG CANCER RESEARCH

Provide \$5,000,000 in 2008-09 in one-time funding for the comprehensive cancer center, located in the UW School of Medicine and Public Health, for lung cancer research. Require that the UW School of Medicine and Public Health would have to receive \$5,000,000 in gifts and grants from private sources for lung cancer research in order to expend this funding.

Chg. to JFC	
GPR	\$5,000,000

3. USE OF UNIVERSAL SERVICE FUND MONEYS

Authorize the use of moneys from the universal service fund to pay for any telecommunications services across the UW System, rather than only for telecommunications services provided by the Department of Administration to the campuses at River Falls, Stout, Superior, and Whitewater as under current law.

VETERANS AFFAIRS

1. KOREAN WAR MEMORIAL REFURBISHMENT

	Chg. to JFC
GPR	\$165,000

Provide \$165,000 in 2007-08 for a matching grant for the refurbishment of the Korean War Memorial in Plover. Create an annual GPR appropriation for the program and sunset the appropriation on June 30, 2008. Require veterans groups to demonstrate that they have raised at least \$165,000 for the refurbishment before funding is released by the Department of Veterans Affairs.

WORKFORCE DEVELOPMENT

1. W-2 BENEFITS FOR PREGNANT WOMEN

	Chg. to JFC
GPR	\$965,500

Increase funding by \$321,800 in 2007-08 and \$643,700 in 2008-09 to extend Wisconsin Works (W-2) grants beginning January 1, 2008, in the amount of \$673 per month, to women who do not have children and who are in their third trimester of an at-risk pregnancy. Under current law, custodial parents of children who are 12 weeks old or younger are eligible to receive these grants.

Eligibility would be limited to an unmarried woman who: (a) would be eligible for W-2 except that she is not a custodial parent of a dependent child; and (b) is in the third trimester of a pregnancy that is medically verified and shown by medical documentation to be at-risk, such that the woman is unable to participate in the workforce. A W-2 agency could not require such women to participate in any W-2 employment positions. Receipt of a grant under this provision would not constitute participation in a W-2 employment position for purposes of the time limits on program participation.

As under current law, all other pregnant women, whose pregnancy is medically verified and who would be eligible for W-2 except that they are not custodial parents of a dependent child, would be eligible for employment training and job search assistance services provided by a W-2 agency.

These provisions would take effect on January 1, 2008.

2. REGULATION OF TRAVELING SALES CREWS

Require the Department of Workforce Development (DWD) to regulate traveling sales crews, beginning the first day of the 12th month after publication of the bill. A traveling sales crew involves two or more individuals who are employed as salespersons or in related support work, who travel together in a group, and who are absent overnight from their permanent places of residence for the purpose of selling goods or services to consumers from house to house, on any street, or in any other place that is open to the public. Two or more individuals who are traveling together for the purpose of participating in a trade show or convention, or two or more immediate family members who are traveling together for the purpose of selling goods or services would not constitute a traveling sales crew. No additional funding or positions would be provided to DWD to regulate traveling sales crews.

Regulation of traveling sales crews would include the following provisions:

Certificate of Registration

Require any person to first obtain a certificate of registration from DWD in order to employ, offer to employ, or otherwise recruit an individual to work as a traveling sales crew worker. Require a person to complete an application for registration, meet minimum requirements for issuance of a certificate of registration as specified by rules promulgated by DWD, and pay a registration fee determined by rules promulgated by DWD in order to obtain a certificate of registration. A certificate of registration would be valid for 12 months unless suspended, restricted, or revoked, and would be nontransferable. Authorize a registrant to renew a certificate of registration by submitting an application and paying the registration fee not less than 30 days before the expiration date of the certificate of registration. The certificate of registration would not expire if the registrant is on active military duty when the certificate is due to expire.

Require a registrant and all employees, agents, or representatives of a registrant who supervise or transport traveling sales crew workers to carry at all times, while engaging in traveling sales crew activities, a copy of the certificate of registration and to exhibit that copy upon the request of any deputy of DWD, law enforcement officer, or person with whom the registrant, employee, agent, or representative is doing business. Failure to exhibit the copy upon request would be prima facie evidence of a violation of this provision.

Application for Certificate of Registration

Information. Require a person to complete an application that contains all of the following information in order to obtain a certificate of registration:

a. The name of the applicant, the address and telephone number of the applicant's principal place of business, and, if the applicant is engaged in sales activities on behalf of a principal, the name, address, and telephone number of the principal.

b. If the applicant is a corporation, the date and place of the applicant's incorporation, or, if the applicant is a limited liability company, the date and place of the applicant's organization.

c. The names and permanent home addresses of the proprietors, managing partners, managers, or principal officers of the applicant, together with proof of identification of those individuals, which may be in the form of a birth certificate, a valid operator's license that contains a photograph of the license holder, or an identification card that contains a photograph of the person identified.

d. The names, permanent home addresses, motor vehicle operator's license numbers, and dates of birth of all employees, agents, or representatives of the applicant who supervise or transport traveling sales crew workers, together with proof of identification of those individuals.

e. Information regarding the conviction record of all proprietors, managing partners, managers, or principal officers of the applicant, and of all employees, agents, or representatives of the applicant who supervise or transport traveling sales crew workers, and information regarding any violation by any those individuals of fraudulent representation, unfair billing for consumer goods or services, or unfair methods of competition and unfair trade practices.

f. The social security number or federal employer identification number of the applicant.

g. The type of sales activities to be performed and the nature of the goods or services to be sold by the traveling sales crew workers of the applicant. If the goods to be sold are magazine subscriptions, the applicant must provide the names, addresses, and telephone numbers of the publishers of those magazines.

h. A statement identifying each motor vehicle that would be used to transport the applicant's traveling sales crew workers, including the type and license number of each motor vehicle, and documentation showing that each motor vehicle is in compliance with all state and federal safety standards that are applicable to the motor vehicle.

i. A statement indicating whether the duties of the applicant's traveling sales crew workers would include the storage, handling, or transportation of hazardous materials, as defined under federal law, or may result in any other exposure of those workers to hazardous materials, and, if so, documentation showing that the applicant is in compliance with all state and federal safety standards that are applicable to the storage, handling, and transportation of the hazardous materials.

j. Any document required by DWD to prove that the applicant has complied with the proof of financial responsibility requirement, the disclosure requirement, and the proof of insurance requirement, discussed in further detail below.

k. Any other information that DWD considers relevant to the protection of the health, safety, and welfare of the traveling sales crew workers employed by the applicant.

Investigation. Require DWD to investigate an applicant, upon receipt of the application and payment of the registration fee, to determine whether the applicant is qualified to receive a certificate of registration. The investigation would have to include a criminal history search by the Department of Justice (DOJ) of all proprietors, managing partners, managers, or principal officers of the applicant, and of all employees, agents, or representatives of the applicant who supervise or transport traveling sales crew workers. The investigation would also have to include a search by DWD to determine whether any of those individuals has committed fraudulent representation, unfair billing for consumer goods or services, or unfair methods of competition and unfair trade practices.

Authorize DWD to require the person being investigated to be fingerprinted on two fingerprint cards, each bearing a complete set of the person's fingerprints, if the person being investigated is, or at any time within the five years preceding the date of the application has been, a nonresident of Wisconsin, or if DWD determines that any information obtained from the criminal history search provides a reasonable basis for further investigation. Authorize DOJ to provide for the submission of the fingerprint cards to the Federal Bureau of Investigation (FBI) for the purposes of verifying the identification of the person and obtaining the person's criminal conviction record. Require DWD to keep all information received from DOJ and FBI confidential.

Issuance. Require DWD to issue a certificate of registration to the applicant after completing the investigation, determining that the applicant meets the minimum requirements for issuance, and being satisfied that the applicant would comply with all requirements and rules.

Denial, Suspension, Revocation, Restriction, or Refusal. Authorize DWD to deny, suspend, revoke, restrict, or refuse to renew a certificate of registration if DWD determines that any of the following apply:

a. The applicant or registrant is not the real party in interest with respect to the application or certificate of registration, and the real party in interest has previously been denied issuance or renewal of a certificate of registration, has had a certificate of registration suspended, revoked, or restricted, or is not qualified to receive a certificate of registration.

b. A proprietor, managing partner, manager, or principal officer of the applicant, or an employee, agent, or representative of the applicant who supervises or transports traveling sales crew workers has been convicted of a disqualifying offense within the five years preceding the date of the application.

c. The applicant or registrant has made a material misrepresentation or false statement in the application for the certificate of registration.

d. The applicant or registrant has failed to notify DWD of any change in the information submitted in the application for a certificate of registration as required under these provisions.

e. The applicant or registrant has failed to maintain proof of financial responsibility; failed to comply with the written disclosure statement requirements; failed to pay wages; failed to provide a required statement; failed to keep, preserve, or furnish records; violated a safety standard; failed to maintain insurance coverage; engaged in a prohibited practice as described in further detail below; employed a traveling sales crew worker without a proper permit; failed to pay a penalty imposed or to comply with an order DWD imposed as a result of a violation; or otherwise failed to comply with this law or rules.

For purposes of item "b" above, a disqualifying offense would include violations of underage drinking, falsifying proof of age, allowing the consumption of alcohol without a permit, manufacturing or delivering drug paraphernalia, or delivering drug paraphernalia to a minor if the violation of one or more of these offenses was committed in connection with, or incident to, any traveling sales crew activities.

Disqualifying offenses would also include violations involving homicide; felony battery; mayhem; sexual assault; reckless or negligent injury; injury by intoxicated use of a vehicle; false imprisonment; taking hostages; kidnapping; arson; burglary; threats to injure, accuse of crimes, or communicate derogatory information; robbery; soliciting or keeping a place of prostitutes; bribery; and certain crimes against children.

If the value of the property misappropriated is \$2,500 or more, then disqualifying offenses would include certain theft, fraud, operating a vehicle without the owner's consent, issuing worthless checks, and computer crimes.

Finally, disqualifying offenses would include any violation of fraudulent representation, unfair billing for consumer goods or services, or unfair methods of competition and unfair trade practices.

Change of Information. Require a registrant to notify DWD if any change occurs in any of the information submitted to DWD for an application for a certificate of registration within 30 days after the change occurs.

Employer Requirements

Financial Responsibility. Require an applicant to establish proof of ability to pay any compensation owed to a traveling sales crew worker employed by the applicant and any penalties that could be imposed. Require the applicant to prove its ability to pay by maintaining one of the following commitments in an amount approved by DWD, but not less than \$10,000, and in a form approved by DWD: (a) a bond; (b) a certificate of deposit; (c) an escrow account; or (d) an irrevocable letter of credit. Require the commitment to be established in favor of, or made payable to, DWD for the benefit of the state and any traveling sales crew worker who does not receive the compensation earned by the worker. Require the applicant to

file with DWD any agreement, instrument, or other document necessary to enforce the commitment against the applicant or any relevant third party, or both.

Disclosure Statement. Require the employer to provide an individual with a written disclosure statement of the terms of employment at the time the individual is offered employment as a traveling sales crew worker or is otherwise recruited to work as a traveling sales crew worker. Require the employer and the individual to sign the written disclosure statement if the individual accepts the offer of employment. Require the written disclosure statement to include all of the following information:

The place or places of employment, stated with as much specificity as possible.

b. The compensation, including wage rates, commissions, bonuses, and contest awards, to be paid.

c. The type or types of work on which the individual may be employed.

d. The pay period and the manner in which compensation would be paid.

e. The number of days per week and hours per day that the individual may be required to engage in sales activities or related support work.

f. The nature and frequency of any employment-related meetings that the individual may be required to attend, the time of day of those meetings, and how compensation would be paid for attendance at those meetings.

g. The period of employment, including the approximate beginning and ending dates of employment.

h. A description of the board, lodging, and other facilities to be provided by the employer to the individual and any costs to be charged to the individual for those facilities.

i. A description of the transportation to be provided by the employer to the individual, and, if the employment involves the storage, handling, or transportation of hazardous materials or involves any other exposure to hazardous materials, a description of the hazardous materials.

j. Whether worker's compensation would be provided and, if so, the name and telephone number of the employee, agent, or representative of the employer to whom a notice of a claim for worker's compensation must be provided and the time period within which that notice must be provided.

Require the employer to comply with the terms of a disclosure statement, and authorize the employer to change the terms of a disclosure statement. However, any change to the terms of a disclosure statement would not be effective until a supplemental disclosure statement is signed by both the employer and the traveling sales crew worker, and any change would apply prospectively only.

Payment of Compensation. Require an employer to pay all compensation earned by a traveling sales crew worker on regular paydays designated in advance by the employer, but in no case less often than semimonthly. Require compensation to be paid in U.S. currency or by check or draft.

Authorize an employer to deduct, from a traveling sales crew worker's compensation, the cost of furnishing board, lodging, or other facilities to the worker if the board, lodging, or other facilities are customarily furnished by the employer to the traveling sales crew workers. Specify that the amount deducted would not exceed the fair market value of the board, lodging, or other facilities and would not include any profit to the employer. Require the traveling sales crew worker to authorize the deduction by signing a written disclosure statement that includes a description of the board, lodging, and other facilities to be provided and any costs to be charged to the worker for those facilities.

Require the employer to provide a written statement itemizing the amount of gross and net compensation paid to the worker and the amount of, and reason for, each deduction from the amount of gross compensation with each payment of compensation to a traveling sales crew worker. Require an employer to keep records of the information specified with respect to each traveling sales crew worker, to preserve those records for three years after the worker leaves the employ of the employer, and to furnish those records to DWD upon request.

Authorize a traveling sales crew worker who is owed compensation to file a wage claim with DWD or bring an action without first filing a wage claim with DWD.

Worker Safety. Require an employer of a traveling sales crew worker to maintain and operate, or cause to be maintained and operated, any motor vehicle used to transport a traveling sales crew worker in compliance with all state and federal safety standards that are applicable to the maintenance and operation of the motor vehicle, including any additional safety standards relating specifically to the transportation of traveling sales crew workers prescribed by rules promulgated by DWD. In prescribing additional safety standards, require DWD to consider all of the following: (a) the types of motor vehicles that are commonly used to transport traveling sales crew workers; (b) the safe passenger-carrying capacity of those motor vehicles; (c) the extent to which a proposed safety standard would cause an undue burden to traveling sales crew employers; and (d) any safety standards prescribed by the federal Secretary of Transportation that are applicable to the maintenance and operation of a motor vehicle that is commonly used to transport traveling sales crew workers.

Require the employer to ensure that any hazardous materials are stored, handled, and transported, and that the traveling sales crew worker is trained in the safe storage, handling, and transportation of hazardous materials, in accordance with all applicable state and federal safety standards, including any additional safety standards prescribed by rules promulgated by DWD. In prescribing additional safety standards, require DWD to consider all of the following: (a) the types of hazardous materials that are included in products commonly sold by traveling sales crews; (b) the extent to which a proposed safety standard would cause an undue burden to traveling sales crew employers; and (c) any safety standards prescribed by the federal Secretary

of Transportation or by the federal Occupational Safety and Health Administration that are applicable to the storage, handling, and transportation of hazardous materials by a traveling sales crew worker or to any other exposure of a traveling sales crew worker to hazardous materials.

Insurance Coverage. Require the employer to have a policy of insurance that insures the employer, in an amount prescribed by rule promulgated by DWD, against liability for damages to persons and property arising out of the ownership or operation by the employer or by any employee, agent, or representative of the employer of a motor vehicle that is used to transport a traveling sales crew worker. In addition, require the employer to have a policy of insurance that insures the employer, in an amount prescribed by rule promulgated by DWD, against liability for damages to persons and property arising out of any negligent act or omission of the employer or of any employee, agent, or representative of the employer. Finally, require the employer to provide worker's compensation coverage for its employees if the employer is required to do so under current law.

Prohibited Practices, Enforcement, and Penalties

Prohibited Practices. Prohibit an employer of a traveling sales crew worker and an employee, agent, or representative of that employer who supervises or transports traveling sales crew workers from doing the following:

- a. Employing or permitting to work as a traveling sales crew worker a person under 18 years of age or employing or permitting to work as a traveling sales crew worker a person 18 years of age or over who has been adjudged incompetent without the permission of the person's guardian.
- b. Requiring a traveling sales crew worker to engage in any in-person sales or solicitation before 9:00 a.m. or after 9:00 p.m.
- c. Considering a traveling sales crew worker to be an independent contractor rather than an employee.
- d. Requiring a traveling sales crew worker to purchase any goods or services solely from the employer or to pay any of the employer's business expenses, except as permitted for board, lodging, or other facilities.
- e. Abandoning a traveling sales crew worker who is unable to work due to illness or injury or who is discharged from employment, for reasons other than misconduct, without providing for the return of the traveling sales crew worker to his or her permanent place of residence.
- f. Abandoning a traveling sales crew worker who has been arrested and is being held in custody for failing to exhibit the identification card upon request as required under these provisions or for a violation of some local ordinance regulating that conduct.

g. Requiring a traveling sales crew worker to relinquish custody of any of his or her personal property to the employer, to any employee, agent, or representative of the employer who supervises or transports traveling sales crew workers, or to any other traveling sales crew worker of the employer.

h. Prohibiting or restricting a traveling sales crew worker from contacting any family member, friend, or other person while traveling with a traveling sales crew.

i. Intentionally inflicting, or threatening to inflict, bodily harm on a traveling sales crew worker or damage to the property of a traveling sales crew worker as a means of discipline or motivation.

j. Advising or counseling a traveling sales crew worker to make false representations to a person to whom he or she is offering goods or services concerning his or her motivation for selling those goods or services.

k. Discharging or discriminating against any person for opposing a prohibited practice.

Enforcement and Penalties. Subject any person engaging in traveling sales crew activities, or employing or permitting the employment of any individual as a traveling sales crew worker, in violation of these provisions, any rule promulgated for these provisions, or any order issued under these provisions, or that hinders or delays DWD or any law enforcement officer in the performance of their duties under these provisions to a forfeiture not less than \$25 nor more than \$1,000 for each day of a first offense, or to a fine not less than \$250 nor more than \$5,000 for each day or to imprisonment not more than 30 days or both for a second or subsequent offense. An offense would be a second or subsequent offense if it occurred within five years of the first offense, as measured from the dates the violations initially occurred.

In addition, specify that any person that employs or permits the employment of any individual as a traveling sales crew worker in violation of these provisions would be liable, in addition to wages paid, to pay each individual affected an amount equal to twice the regular rate of pay as liquidated damages for all hours worked in violation per day or per week, whichever is greater.

Finally, authorize DWD to refer violations of these provisions or of any rules related to these provisions for prosecution by DOJ or the district attorney of the county in which the violation occurred.

Child Support and Delinquent Taxes

Specify that DWD must require each applicant for a certificate of registration to provide a social security number, if the applicant is an individual, or a federal employer identification number, if the applicant is not an individual, when initially applying for or applying to renew the certificate of registration.

Specify that DWD could not issue or renew a certificate of registration to or for the applicant if the applicant fails to provide a social security number, if the applicant is an individual, or a federal employer identification number, if the applicant is not an individual, except that a certificate may be issued or renewed for an applicant who is an individual, does not have a social security number, and submits a statement made or subscribed under oath or affirmation to DWD that he or she does not have a social security number. Require DWD to prescribe the form of the statement. Specify that a certificate of registration issued in reliance upon a statement that is false would be invalid.

Specify that DWD may not disclose the social security number or the federal employer identification number obtained to any person, except to the Department of Revenue (DOR) for the sole purpose of determining tax delinquency or to DWD's Bureau of Child Support for enforcement of child support arrearages.

Child Support. Require DWD to deny, suspend, restrict, refuse to renew, or otherwise withhold a certificate of registration for failure of the applicant or registrant to pay court-ordered payments of child or family support, maintenance, birth expenses, medical expenses, or other expenses related to the support of a child or former spouse, or for failure of the applicant or registrant to comply, after appropriate notice, with a subpoena or warrant issued by DWD or a county child support agency and related to paternity or child support proceedings. Specify that actions taken under this provision would be subject to review under administrative enforcement of child support, rather than general administrative procedures.

Tax Delinquency. Require DWD to deny an application for the issuance or renewal of a certificate of registration, or revoke a certificate of registration already issued, if DOR certifies that the applicant or registrant is liable for delinquent taxes. Specify that actions taken under this provision would be subject to review under hearings for tax delinquency, rather than general administrative procedures.

Current law requires licensing agencies and credentialing boards to deny, suspend, restrict, refuse to renew, or otherwise withhold a license or certificate for individuals who owe past-due support or who fail to comply with subpoenas or warrants relating to paternity or child support proceedings or who owe back taxes. This provision would add a certificate of registration for traveling sales crews to the list of licenses, credentials, certificates, or registrations that may be denied, suspended, or restricted.

Traveling Sales Crew Worker Permits

Prohibit an individual from being employed or permitted to work as a traveling sales crew worker unless the employer of the individual first obtains from DWD a traveling sales crew worker permit for the individual and the individual first obtains from DWD an identification card. Require the worker permit and the identification card to be in a form prescribed by DWD, which must include, at a minimum, the name and permanent home address of the traveling sales crew worker and the name, address, and phone number of his or her employer.

Require the employer and all employees, agents, or representatives who supervise or transport traveling sales crew workers to carry a copy of the worker permit at all times for each traveling sales crew worker and to exhibit that copy upon request of any deputy of DWD, law enforcement officer, or person with whom the employer, employee, agent, or representative is doing business.

Require a traveling sales crew worker to carry the identification card at all times while engaged in traveling sales crew activities and to exhibit that card upon request of any deputy of DWD, law enforcement officer, or person with whom the traveling sales crew worker is doing business.

Specify that failure to exhibit a copy of the permit or identification card is prima facie evidence of a violation of this provision.

Require the employer to: (a) keep a copy of the permit for each traveling sales crew worker for at least three years after the traveling sales crew worker leaves the employ of the employer and allow DWD to inspect the permits upon request; (b) keep a list of names of all cities, villages, or towns where traveling sales crew workers engaged in traveling sales crew activities within the last three years and allow DWD to inspect the list upon request; and (c) provide a list of all cities, villages, or towns where the employer intends to employ traveling sales crew workers in traveling sales crew activities, upon the request of DWD, for the six-month period beginning on the date of DWD's request.

Require the employer to obtain a stamp or endorsement on a traveling sales crew worker's permit from the clerk of the city, village, or town before the employer may permit a traveling sales crew worker to engage in traveling sales crew activities in that city, village, or town. Require the employer, once the stamp or endorsement is obtained, to provide notice that the traveling sales crew workers would be engaging in traveling sales crew activities in that city, village, or town to the following: (a) the local police department, if the city, village, or town has a police department; or (b) the sheriff of the county where the city, village, or town is located, if the city, village, or town does not have a police department. In addition, require clerks of cities, villages, and towns to stamp or endorse traveling sales crew worker permits at the request of an employer.

Require law enforcement officers of counties, cities, villages, and towns to assist DWD in enforcing these provisions by questioning individuals seen engaging in traveling sales crew activities and reporting to DWD all cases of individuals apparently engaging in traveling sales crew activities in violation of these provisions.

Rules Related to these Provisions

Require DWD to promulgate rules to implement these provisions, which must include all of the following: (a) a fee for obtaining a certification of registration, which must be based on the cost of issuing certificates of registration; (b) minimum requirements for the issuance of a certificate of registration; (c) safety standards relating to the transportation of traveling sales crew workers, the storage, handling, and transportation of hazardous materials by traveling

sales crews and any other exposure of a traveling sales crew worker to hazardous materials, and the training of traveling sales crews in the storage, handling, and transportation of hazardous materials; and (d) the amount of liability insurance that an employer must have in force.

Require DWD to submit the rules in proposed form to the Legislative Council staff no later than the first day of the sixth month beginning after the effective date of the bill. DWD would not be required to prepare an economic impact report for these rules.

Non-applicability and Non-preemption

Non-applicability. Specify that these provisions do not apply to the employment of a person in a fund-raising sale for a nonprofit organization, a public school, or a private school.

Non-preemption. Specify that these provisions do not preempt a county, city, village, or town from enacting a local ordinance regulating traveling sales crew activities. Require the local ordinance to be at least as strict as the regulation of conduct under these provisions to the extent that the local ordinance regulates the same conduct.