



Legislative Fiscal Bureau

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July 25, 2007

TO: Senator Robert Jauch
Room 118 South, State Capitol

FROM: Bob Lang, Director

SUBJECT: Modifications to the Budget Recommendations of the Joint Committee on Finance

You asked that this office review all recorded votes of the Joint Committee on Finance on 2007 SB 40 to determine the number of motions that were adopted by votes of 12-4, 13-3, 14-2, 15-1, or 16-0.

There were 254 votes recorded by the Finance Committee that fit into one of these categories.

Further, you asked for an identification of any modifications made by the Senate or Assembly to the items that were approved by the Finance Committee by a vote of at least 12-4. Following is an identification of those items and their location in this office's July 16, 2007, "Comparative Summary of Budget Provisions of the Senate and Assembly."

Arts Board

2. ONE-TIME GRANTS (PAGE 1)

Senate: No change to Joint Finance.

Assembly: Delete \$40,000 in 2007-08 that was included under the Joint Finance version of the bill for one-time grants to certain organizations. These organizations would include: (a) Lake Superior Big Top Chautauqua performing arts center in Bayfield County (\$25,000); (b) Ko Thi Dance Company in the City of Milwaukee (\$10,000); and (c) African American Children's Theater in the City of Milwaukee (\$5,000).

	Chg. to JFC
GPR	-\$40,000

Budget Management

1. PROJECTED LAPSE AMOUNT (PAGE 1)

Senate: No change to Joint Finance.

Assembly: Increase the projected lapse amount by \$35,000,000 annually from the Joint Finance level of \$40,000,000 annually, so that the total annual lapse would be \$75,000,000. Under this provision, the Secretary of Administration would use his authority under current law to limit spending by executive branch agencies to generate \$75,000,000 of annual savings for fiscal years 2007-08 through 2010-11. If any of these savings amounts would accrue from continuing GPR appropriations or from SEG or PR moneys, subsequent legislation could authorize any lapses or transfers to the general fund needed to reach the goal. There are no provisions relating to these items, as it would rely upon the current law authority of the Secretary of Administration to achieve these spending reductions.

	Chg. to JFC
GPR-Lapse	\$70,000,000

Building Commission

2. AGREEMENTS RELATED TO STATE BORROWING PROGRAMS (PAGE 5)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provisions that would authorize the Building Commission and the Department of Administration (DOA) authority to enter into agreements or ancillary

	Chg. to JFC
GPR-Lapse	-\$4,500,000

arrangements relating to state general obligation debt and operating notes. In addition, delete the modifications to Building Commission's and DOA's current law authority to enter into agreements or ancillary arrangements relating to the state's revenue obligation and appropriation obligation debt.

Building Program

3. UW-SYSTEM ACADEMIC FACILITIES (PAGE 6)

Senate: No change to Joint Finance.

Assembly: Delete \$78,743,000 in general fund supported bonding, \$2,950,000 in program revenue supported bonding, \$1,200,000 in building trust funds, and \$31,576,000 in gifts, grants, and other receipts, and the project enumerations associated with the following projects.

Chg. to JFC
BR - \$81,693,000

<u>Project</u>	<u>Bonding</u>		<u>Gifts and</u>	<u>Grants</u>	<u>Total</u>
	<u>GPR</u>	<u>PR</u>	<u>Trust Funds</u>		
School of Human Ecology					
Addition - Madison	\$22,500,000	\$2,950,000	\$0	\$22,500,000	\$47,950,000
Communications Art Center - Parkside	32,100,000	0	0	2,076,000	34,176,000
Academic Building - Superior	24,143,000	0	1,200,000	7,000,000	32,343,000
	\$78,743,000	\$2,950,000	\$1,200,000	\$31,576,000	\$114,469,000

4. DECREASE IN ALL AGENCY ENUMERATIONS GPR-SUPPORTED BONDING (PAGE 6)

Senate: No change to Joint Finance.

Assembly: Delete \$65,000,000 of general fund supported bonding provided for the following all agency project category enumerations included in the 2007-09 state building program. A total of \$100,000,000 in general fund supported bonding would remain for these all agency projects.

Chg. to JFC
BR - \$65,000,000

<u>All Agency Category</u>	<u>Joint Finance</u>	<u>Proposed Reduction</u>	<u>Remaining Bonding</u>
Facility Maintenance and Repair	\$90,000,000	-\$35,454,000	\$54,546,000
Utilities Repair and Renovation	45,000,000	-17,727,000	27,273,000
Health, Safety and Environmental Protection	10,000,000	-3,939,000	6,061,000
Preventive Maintenance Program	3,000,000	-1,182,000	1,818,000
Programmatic Remodeling and Renovation	5,000,000	-1,970,000	3,030,000
Land and Property Acquisition	5,000,000	-1,970,000	3,030,000
Capital Equipment Acquisition	<u>7,000,000</u>	<u>-2,758,000</u>	<u>4,242,000</u>
Total	\$165,000,000	-\$65,000,000	\$100,000,000

12. ENERGY CONSERVATION CONSTRUCTION PROJECTS (PAGE 9)

Senate: No change to Joint Finance.

Assembly: Require all energy efficiency projects funded through the energy conservation construction program to be measured and verified by the Department of Administration in accordance with the performance measurement and verification guidelines adopted by the federal energy management program. Require the Department of Administration, to the extent feasible, to use the procedures under current law governing energy conservation audits and construction projects when implementing these energy efficiency projects. Specify that any contracts using those procedures include a provision stating a minimum savings amount in energy usage and that the contractor guarantees that level of savings will be realized.

Higher Educational Aids Board

3. VETERAN'S TUITION REMISSION (PAGE 11)

Senate/Assembly: Modify the Joint Finance provision to specify that a veteran who has an undergraduate degree may have the portion of tuition and fees that is equal to the amount of tuition and fees for an equivalent number of undergraduate credits remitted for up to 48 credits at the graduate level or until the veteran has earned a graduate degree, whichever is lesser. In addition, modify current law such that a veteran may have tuition and fees remitted for the lesser of the following: (a) 128 undergraduate credits or eight semesters, whichever is greater; or (b) until the veteran has earned an undergraduate degree. Specify that a veteran who has received a remission for undergraduate study under this provision at any time after January 1, 2008, would not be eligible for tuition and fee remissions for graduate work and that a veteran who has received a remission for graduate study under this provision would not be eligible for tuition and fee remissions for undergraduate work.

4. SURVIVING SPOUSE TUITION REMISSION (PAGE 11)

Senate/Assembly: Specify that an unremarried surviving spouse of an eligible veteran who had a child with the veteran could receive an undergraduate tuition remission until ten years after the youngest child that the spouse had with the eligible veteran reaches, or would have reached, 18 years of age, or during the first ten years after the veteran died as under current law, whichever is later.

11. WHEG-TRIBAL COLLEGES FUNDING (PAGE 13)

Senate: No change to Joint Finance.

Assembly: Delete proposed increases of \$10,000 in 2007-08 and \$20,000 in 2008-09 for need based financial aid for students attending tribal colleges. Annual base level funding is \$404,000. These reductions in PR moneys funded from tribal gaming revenues would result in additional revenue being retained in the general fund.

	Chg. to JFC
PR	-\$30,000
GPR-REV	30,000

Public Instruction

38. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS EDUCATION (PAGE 26)

Senate: No change to Joint Finance.

Assembly: Provide \$61,500 annually for grants to promote education in science, technology, engineering, and mathematics. Provide that grants would be awarded to school districts to develop innovative instructional programs in science, technology, engineering, and mathematics; to support pupils who are typically under-represented in these subjects; and to increase the academic achievement of pupils in those subjects.

	Chg. to JFC
GPR	\$123,000

40. GRANTS FOR SCHOOL DISTRICT EFFICIENCY(PAGE 27)

Senate: No change to Joint Finance.

Assembly: Modify the title of the grants for school district consolidation program included by Joint Finance to be for school district efficiency incentive grants instead. Under the Joint Finance provision, \$250,000 GPR is provided in 2008-09 on a one-time basis for grants for school district consolidation feasibility studies. Under the proposed program, a consortium of two or more districts could apply to DPI for a grant of up to \$10,000 to conduct a study.

42. SCHOOL LIBRARY AID (PAGE 27)

Senate: Require that, if school library aid is used to purchase computers and software, then they must be housed in the school library. Delete the proposed requirement that such purchases be approved by the school district's person who supervises the school district's libraries. Instead, specify that the district would be required to consult with that person on such purchases.

Assembly: No change to Joint Finance.

44. GRANTS FOR MASTER EDUCATORS (PAGE 27)

Senate: No change to Joint Finance.

Assembly: Delete \$57,200 in 2007-08 and \$116,100 in 2008-09 as well as provisions that would expand the national teacher certification program to provide grants to persons receiving master educator licenses under Chapter P134 of the Administrative Code. Under current law, teachers earning national certification receive up to \$2,000 in the first year and \$2,500 annually thereafter for nine years.

	Chg. to JFC
GPR	- \$173,300

45. GRANTS FOR TEACHERS IN HIGH-POVERTY SCHOOLS (PAGE 28)

Senate: No change to Joint Finance.

Assembly: Delete \$83,400 annually as well as provisions allowing additional \$2,500 annual grant awards under the national teacher certification program for nationally-certified teachers employed in schools in which at least 60% of the pupils enrolled are eligible for free or reduced-price lunch.

	Chg. to JFC
GPR	- \$166,800

48. ONE-TIME GRANTS TO ORGANIZATIONS (PAGE 28)

Senate: No change to Joint Finance.

Assembly: Delete \$50,000 in 2007-08 and \$12,500 in 2008-09 and the annual appropriation under Joint Finance for the following one-time grants to organizations: (a) Big Brothers/Big Sisters of Dane County for mentoring in collaboration with the Madison Metropolitan School District (\$25,000 in 2007-08); (b) Latino Community Center school safety improvement project at South Division High School (\$12,500 in 2007-08); and (c) Badger State Science and Engineering Fair (\$12,500 annually).

	Chg. to JFC
GPR	- \$62,500

University of Wisconsin System

5. UW SYSTEM INITIATIVES (PAGE 33)

Senate: No change to Joint Finance.

Assembly: Delete \$7,935,200 of tuition revenue funding in 2008-09 for the UW System initiatives. Under Joint Finance, these initiatives would be funded as separate items with \$21,455,600 GPR in 2008-09.

Chg. to JFC	
PR	- \$7,935,200

15. BIOMEDICAL TECHNOLOGY ALLIANCE (PAGE 36)

Senate: No change to Joint Finance.

Assembly: Delete \$500,000 in 2007-08 provided by Joint Finance in a new biennial appropriation for a biomedical technology alliance in southeastern Wisconsin. According to DOA staff, the biomedical technology alliance promotes collaborative research involving UW-Milwaukee, UW-Parkside, the Medical College of Wisconsin, Marquette University, and the Milwaukee School of Engineering.

Chg. to JFC	
GPR	- \$500,000

16. ISLET TRANSPLANTATION PROGRAM (PAGE 36)

Senate: No change to Joint Finance.

Assembly: Delete \$200,000 annually provided by Joint Finance to support research related to islet transplantation at the UW School of Medicine and Public Health. Islet transplantation is an experimental treatment for type 1 (juvenile) diabetes. According to DOA staff, this funding would have paid for rent on additional space (\$150,000) and some general operating costs (\$50,000).

Chg. to JFC	
GPR	- \$400,000

17. APPLICATION FEE INCREASE (PAGE 36)

Senate: No change to Joint Finance.

Assembly: Delete increases in the statutorily set application fees charged to new freshmen and out-of-system transfers and to graduate, law, and professional students. Decrease the tuition revenue appropriation by \$1,100,000 PR annually to reflect this change. Under Joint Finance, these fees would have increased from \$35 to \$44 for new freshmen and out-of-system transfers and from \$45 to \$56 for graduate, law, and professional students.

Chg. to JFC	
PR	- \$2,200,000

Wisconsin Technical College System

2. TRAINING PROGRAM GRANTS (PAGE 39)

Senate: No change to Joint Finance.

Assembly: Delete the proposed increase in funding of \$1,000,000 in 2007-08 and \$2,000,000 in 2008-09 under Joint Finance for training program grants, which would continue base level funding of \$1,000,000 annually. Also, delete proposed program modifications, which would have limited eligibility to employers with fewer than 100 employees or less than \$10,000,000 in gross annual income and would have applied to \$500,000 in grant awards for 2007-08 and \$1,000,000 in grant awards for 2008-09. Instead, require that in each year, two-thirds of the amount awarded must be used for grants to small businesses, defined as those employing fewer than 100 employees.

	Chg. to JFC
GPR	-\$3,000,000

7. ALLOCATE INCENTIVE GRANT TO NORTHCENTRAL TECHNICAL COLLEGE (PAGE 41)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision that would require the WTCS Board to allocate \$194,000 in 2008-09 within the incentive grants appropriation to the Northcentral Technical College in order to implement a dairy science associate degree program.

General Fund Taxes

4. INDIVIDUAL INCOME TAX EXCLUSION FOR RETIREMENT INCOME (PAGE 48)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provisions that would provide an individual income tax exclusion for up to \$5,000 per person aged 65 or older for taxpayers with adjusted gross income of \$15,000 or less (\$30,000 or less for married-joint filers), effective with tax year 2009. Provide, instead, an individual income tax exclusion for retirement income for each person aged 65 or older up to a specified maximum amount that would start in tax year 2009 and would increase each year. Provide that the maximum exclusion per person would be \$500 for tax year 2009 and \$1,000 for tax year 2010. For subsequent tax years, provide that the maximum

	Chg. to JFC
GPR-REV	-\$5,500,000

exclusion would increase by \$1,000 per year until 2029, when the maximum exclusion would be \$20,000 per person. For tax years starting in 2030, provide that the maximum exclusion would be increased by the annual growth in Wisconsin per capita personal income, as determined by the Department of Revenue (DOR) based on the most recent data available from the federal Bureau of Economic Analysis.

It is estimated that the fiscal effect of the provision would be to reduce state tax revenues from the individual income tax by \$8,000,000 in 2008-09, based on assumed reductions in estimated tax payments that would be made for tax year 2009. Compared to the Joint Finance budget, this provision would reduce state tax revenues by \$5,500,000 in 2008-09. In subsequent years, it is estimated that general fund tax revenues would be reduced by \$24,000,000 in 2009-10 and \$48,000,000 in 2010-11. The annual reduction in general fund tax revenues would increase along with the increasing exemption amount, to reach approximately \$320,000,000 in 2029-30. These estimates are provided in 2008-09 dollars.

8. INTERNAL REVENUE CODE UPDATE (PAGE 51)

Senate: No change to Joint Finance.

Assembly: Modify the IRC update provisions in the bill as approved by the Joint Committee on Finance to also conform state tax references to the provisions of the federal Tax Relief and Health Care Act of 2006 (TRHCA) recommended for adoption by the Department of Revenue. The following table provides a list of the recommended items that are projected to have a significant impact on state tax revenues, along with their estimated fiscal effects.

Chg. to JFC
GPR-REV - \$8,600,000

**Summary of Federal Law Changes Under TRHCA with Substantive Fiscal Effects
(In Millions)**

	<u>2007-08</u>	<u>2008-09</u>
Individual Income Tax		
Deduction for educator expenses	-\$1.86	-\$0.28
Mortgage insurance premiums treated as deductible interest	<u>-0.45</u>	<u>-0.15</u>
Individual Income Tax Total	-\$2.31	-\$0.43
Corporate and Business Taxes		
Energy efficiency commercial buildings property deduction	-\$0.08	Minimal
Extend mental health parity provisions	-0.14	Minimal
Wages to Puerto Rico residents included in qualified production activities income	-0.33	-\$0.03
Expanded research credits	<u>-2.60</u>	<u>-2.60</u>
Corporate and Business Tax Total	-\$3.15	-\$2.63
Total	-\$5.5	-\$3.1

Specify that the provisions would apply for Wisconsin purposes at the same time as they apply for federal purposes. Compared to both the Joint Finance budget and current law,

estimate additional reductions in state tax revenues of \$5,500,000 in 2007-08 and \$3,100,000 in 2008-09.

12. COMMUNITY REHABILITATION PROGRAM TAX CREDIT (PAGE 67)

Senate: No change to Joint Finance.

Assembly: Delay the applicability date of the community rehabilitation program tax credit that would equal 5% of the amount the claimant pays in a tax year to a community rehabilitation program to perform work for the claimant's business, pursuant to a contract, to first apply to tax years beginning on or after July 1, 2008 (rather than July 1, 2007). Compared to the Joint Finance budget, this provision would increase state income and franchise tax revenues by an estimated \$3,300,000 in 2007-08.

Chg. to JFC	
GPR-REV	\$3,300,000

Department of Workforce Development

1. CHILD CARE SUBSIDIES AND COST SAVING MEASURES (PAGE 88)

Senate: No change to Joint Finance.

Assembly: Reduce funding for child care subsidies by \$20,236,600 in 2007-08 and \$32,364,100 in 2008-09, and implement several cost saving measures as follows:

Chg. to JFC	
FED	-\$52,600,700

Attendance-Based Payments. Beginning in 2006-07, the Department of Workforce Development (DWD) implemented a change to attendance policy, effective April 1, 2007. Wisconsin Shares no longer pays the child care provider for absences in child care when attendance is less than half the number of authorized hours per week for enrollment based authorizations. This change affects parents who have children in licensed family or group programs, or child care run by public schools and have enrollment based authorizations. This measure would result in revised estimated savings of \$13,000,000 annually.

In addition, the Joint Finance proposal to require DWD to reimburse licensed child care providers on the basis of the number of authorized hours for a child to receive services from the child care provider and to adjust the number of authorized hours on the basis of a child's history of utilization would be deleted, which would add in costs of \$750,000 in 2007-08 and \$1,000,000 in 2008-09.

Income Eligibility. Under current law, an individual who is first applying for a child care subsidy must have a family income level no higher than 185% of the federal poverty level (FPL) and remains eligible until the family income level reaches 200% of the FPL. The initial

threshold would be reduced to 175% of the FPL, and the recipient would remain eligible until the family income level reaches 190% of the FPL. This provision would apply to individuals who first apply for a child care subsidy, or reapply for a child care subsidy after losing eligibility, on or after the effective date of the bill. The 200% threshold would continue to apply to families who are receiving a subsidy on the bill's effective date. This measure would result in estimated savings of \$1,836,600 in 2007-08 and \$4,764,100 in 2008-09.

Copayments. DWD increased copayments in March, 2007, by 8%. Copayments would increase again by at least 7.0% in March, 2008, and 3.1% in March, 2009. Copayments are paid by the parents, which results in a savings to the child care subsidies program. Under the schedule used by DWD, the weekly copayment amount varies based on the family's size and income, the number of children in subsidized care, and whether the parent is using licensed or certified child care. The copayment schedule would be modified so that the aggregate amount of copayments increases by the percentages shown above. However, the copayments for individual families could increase by more or less than these percentages. Estimated savings are included in the estimated costs of the program.

In addition, the Joint Finance provision that would have directed DWD to increase copayments by no more than 2.8% per year would be deleted.

Waiting List. Require DWD to implement a prioritized waiting list system for applicants who are otherwise eligible for a child care subsidy, beginning October 1, 2007. An applicant on the waiting list would not receive a child care subsidy until funding became sufficient. However, participants in work components of Wisconsin Works (W-2) would not be subject to the waiting list. This measure would result in estimated savings of \$6,150,000 in 2007-08 and \$15,600,000 in 2008-09.

Funding for the Wisconsin Shares program would total \$325,365,200 in 2007-08 and \$322,987,900 in 2008-09.

Finally, impose a limit on the time that an individual could receive child care subsidies for his or her child to 60 months, which would not have to be consecutive. As a result, a family would receive child care subsidies up to 60 months for each child. This provision would affect families who first apply for child care subsidies after the effective date of the bill. Therefore, no savings are estimated in the 2007-09 biennium.

2. EARNED INCOME TAX CREDIT (EITC) (PAGE 90)

Senate: No change to Joint Finance. Under the Joint Finance budget, total temporary assistance for needy families (TANF) funding for the earned income tax credit would be \$16,125,400 in 2007-08 and \$6,664,200 in 2008-09. Total GPR funding would be \$75,974,600 in 2007-08 and \$90,735,800 in 2008-09.

Assembly: Increase TANF funding for the EITC by \$23,429,900 in 2007-08 and \$34,935,800 in 2008-09 for total TANF funding for the EITC of \$39,555,300 in 2007-08 and \$41,600,000 in 2008-09.

	Chg. to JFC
GPR	- \$58,365,700
FED	<u>58,365,700</u>
Total	\$0

Overall funding for the EITC would not change. As a result, GPR funding for the EITC would be reduced by \$23,429,900 in 2007-08 and \$34,935,800 in 2008-09. Total GPR funding would be \$52,544,700 in the first year and \$55,800,000 in the second year.

3. W-2 CASH BENEFITS ALLOCATION (PAGE 90)

Senate: No change to Joint Finance.

Assembly: Reduce funding by \$1,046,500 in 2007-08 and \$329,200 in 2008-09 for payments to W-2 participants in subsidized employment positions, trial job subsidies, and caretaker of newborn infant (CNI) grants under current law.

	Chg. to JFC
FED	- \$1,375,700

W-2 benefits for the next 24 months of the 2006-2009 W-2 contracts would total \$42,980,000 annually.

5. W-2 BENEFITS FOR PREGNANT WOMEN (PAGE 91)

Senate: Increase funding by \$321,800 in 2007-08 and \$643,700 in 2008-09 to extend 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.

	Chg. to JFC
GPR	\$965,500

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.

Assembly: No change to Joint Finance.

6. REAL WORK, REAL PAY PILOT PROJECT (PAGE 92)

Senate: No change to Joint Finance.

Assembly: Reduce funding by \$42,000 in 2007-08 and \$83,000 in 2008-09 to delete the Joint Finance provision that would have established a real work, real pay pilot project.

	Chg. to JFC
FED	- \$125,000

7. QUALITY CARE FOR QUALITY KIDS (PAGE 92)

Senate: No change to Joint Finance.

Assembly: Increase funding by \$360,100 annually so that DWD can spend the minimum amount required under federal law (estimated at \$10,928,900 annually) on programs to improve the quality and availability of child care. In addition, authorize DWD to determine which programs would receive funding and to allocate the amount of funding for each program. Current quality and availability programs include: (a) the child care scholarship and bonus program; (b) child care resource and referral services; (c) child care licensing activities; (d) the local pass-through program; (e) technical assistance; and (f) the child care information center.

	Chg. to JFC
FED	\$720,200

Under the Joint Finance budget, the minimum amount required under federal law for programs to improve the quality and availability of child care would be allocated. However, the Joint Finance budget would have required DWD to allocate at least: (a) \$3,475,000 annually for the child care scholarship and bonus program; (b) \$1,225,000 annually for child care resource and referral services; and (c) \$4,800,600 for child care licensing activities. With the remaining funds, DWD would have the discretion to set the funding level for: (a) the local pass-through program; (b) technical assistance; and (c) the child care information center.

Because the Assembly budget provided base funding of \$4,440,500 for child care licensing activities, rather than \$4,800,600 annually under the Joint Finance budget, the additional funds of \$360,100 annually that would have been spent on child care licensing activities under the Joint Finance budget must be spent on other programs to improve the quality and availability of child care under the Assembly budget.

8. BASE FUNDING FOR TANF RELATED PROGRAMS (PAGE 92)

Senate: No change to Joint Finance.

Assembly: Reduce funding by \$2,464,900 in 2007-08 and \$2,519,600 in 2008-09 to maintain base funding for several TANF

	Chg. to JFC
FED	- \$4,984,500

related programs listed in the table below.

The first column in the table represents the base level of funding for each program. The second and third columns show the total funding provided by the Joint Committee on Finance, and the last two columns show the savings that result from maintaining base funding.

Base Funding for TANF Related Programs

	<u>Base Funding</u>	<u>Joint Finance</u>		<u>Savings</u>	
		<u>2007-08</u>	<u>2008-09</u>	<u>2007-08</u>	<u>2008-09</u>
Day Care Licensing	\$4,440,500	\$4,800,600	\$4,800,600	-\$360,100	-\$360,100
Child Care State Administration	1,524,900	1,765,600	1,600,300	-240,700	-75,400
Emergency Assistance	4,500,000	6,000,000	6,000,000	-1,500,000	-1,500,000
State Administration	16,422,900	16,670,100	16,868,500	-247,200	-445,600
Child Welfare Safety Services	5,707,200	5,631,300	5,631,300	75,900	75,900
Milwaukee Child Welfare/eWISACWIS	<u>1,317,700</u>	<u>1,510,500</u>	<u>1,532,100</u>	<u>-192,800</u>	<u>-214,400</u>
Total	\$33,913,200	\$36,378,100	\$36,432,800	-\$2,464,900	-\$2,519,600

Base funding for state administration deletes the specific provision to provide \$605,500 annually for certain fraud-prevention and follow-up activities conducted by DHFS and county income maintenance agencies. Instead, these activities would be funded, as they are under current law, from the state administration allocation.

9. FRAUD INVESTIGATION (PAGE 93)

Senate: No change to Joint Finance.

Assembly: Modify the provision that authorizes counties and tribal governing bodies to establish a program to investigate suspected fraudulent activity by W-2 and Wisconsin Shares participants and to recover incorrect payments as a result of fraudulent activity such that the county or tribal governing body retains all amounts recovered as a result of its program during the first three months in which it recovers any amounts. As a result, the county or tribal governing body would pay to DWD all amounts recovered as a result of its program beginning with the fourth month in which it recovers any amounts.

Under the Joint Finance budget, this provision would have required a county or tribal governing body that establishes a fraud investigation program to pay to DWD: (a) 50% of all fraud recoveries during the first month in which any fraud recoveries are made; (b) 66% of all fraud recoveries during the second month in which any fraud recoveries are made; and (c) 100% of all fraud recoveries made after the second month.

10. FEDERAL AND STATE FUNDS FOR CHILD SUPPORT ENFORCEMENT ACTIVITIES (PAGE 93)

Senate: No change to Joint Finance.

Assembly: Reduce funding for child support enforcement state operations by \$150,000 GPR in 2007-08. In addition, reduce federal matching funds by \$291,200 FED in 2007-08.

	Chg. to JFC
GPR	- \$150,000
FED	- <u>291,200</u>
Total	- \$441,200

12. ELIMINATE FUNDING FOR NEW GRANTS AND PROGRAMS (PAGE 95 -- PART)

Senate: No change to Joint Finance.

Assembly: Reduce funding by \$50,000 in 2007-08 to eliminate the following grants and programs that were included in the Joint Finance budget: (a) a grant to the Racine Young Women's Christian Association (YWCA) for start-up costs for a job skills training program (-\$25,000 in 2007-08); and (b) a grant to the Racine County Workforce Development Board to develop a comprehensive community-wide workforce development plan that addresses specific challenges in Racine County (-\$25,000 in 2007-08).

	Chg. to JFC
GPR	- \$50,000

Administration -- General Agency Provisions

10. GRANT FOR THE WISCONSIN TECHNICAL COLLEGE SYSTEM FOUNDATION (PAGE 113)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision which would provide \$109,500 annually for grants to support administrative costs of the Wisconsin Technical College System Foundation for operating the Department of Defense excess property program.

	Chg. to JFC
GPR	- \$219,000

11. COUNTY MANAGEMENT ASSISTANCE FOR MENOMINEE COUNTY (PAGE 113)

Senate: Increase the amounts provided for county management assistance grants to Menominee County by \$50,000 PR annually from tribal gaming revenue.

Under current law, \$500,000 PR annually from tribal gaming revenues is appropriated to Menominee County for public safety,

	Chg. to JFC
GPR-REV	- \$100,000
PR	\$100,000

public health, public infrastructure, public employee training, and economic development. The Joint Committee on Finance recommended an increase of \$50,000 PR annually from tribal gaming revenues. The Senate recommendation would, therefore, increase the total grant amount to \$600,000 annually. Since non-dedicated tribal gaming revenues are deposited in the general fund, this recommendation would reduce revenue to the general fund by \$50,000 annually.

Assembly: No change to Joint Finance.

Department of Corrections -- Adult Institutions

3. OVERTIME FUNDING (PAGE 124)

Senate: No change to Joint Finance.

Assembly: Delete provision to provide \$8,914,200 in 2007-08 and \$8,984,000 in 2008-09 and 50.0 correctional officer positions annually associated with utilization of overtime in adult correctional facilities.

Change to JFC Funding Positions		
GPR	-\$17,898,200	- 50.00

4. FULL FUNDING FOR SECURITY POSITIONS (PAGE 124)

Senate: No change to Joint Finance.

Assembly: Delete provision to provide \$1,549,300 and 39.0 positions annually to restore security personnel deleted as part of a general funding and position reduction item in the 2005-07 biennial budget.

Change to JFC Funding Positions		
GPR	-\$3,098,600	- 39.00

9. DELETE PROVISION OF STATE IDENTIFICATION (PAGE 125)

Senate: No change to Joint Finance.

Assembly: Delete the provision to: (a) require the Department to provide a state identification card to individuals released from prison who do not possess another form of state identification; (b) specify that an offender would be required to pay for the state identification card from the balances in his or her general fund account and that such payment would be a first draw on that account; and (c) specify that, to the extent that funding was unavailable in an inmate's account, Corrections would fund these costs.

10. DELETE FOODSHARE APPLICATIONS (PAGE 125)

Senate: No change to Joint Finance.

Assembly: Delete the provision to: (a) require the Department to assist offenders prior to release in applying for assistance under the FoodShare program; (b) specify that an institution's address may be initially utilized in the application process; and (c) allow an authorized correctional employee to receive telephone calls on an offender's behalf for matters related to the FoodShare program.

11. DELETE TREATMENT ALTERNATIVES AND DIVERSION PROGRAM (PAGE 125)

Senate: No change to Joint Finance.

Assembly: Delete the provision to: (a) direct the Department of Corrections to submit a report to the Joint Committee on Finance by May 1, 2008, on the impact of the treatment alternatives and diversion program on the Department's 2009-11 biennial budget; and (b) specify that Corrections evaluate the impact of increased community treatment and diversion programs for non-violent offenders on the Department's institutional and community corrections populations, and on the Department's costs of operation.

13. PRAIRIE DU CHIEN CORRECTIONAL INSTITUTION REPORT (PAGE 126)

Senate: No change to Joint Finance.

Assembly: In addition to directing the Department to evaluate and report on segregation overcrowding at the Prairie du Chien Correctional Institution (as required under Joint Finance), direct the Department to evaluate the need for expanding North Hall to provide more inmate housing, program space, and a servery.

Department of Corrections -- Adult Community Corrections

1. EXPANSION OF COMMUNITY ALTERNATIVES TO REVOCATION (PAGE 126)

Senate: No change to Joint Finance.

Assembly: Delete provision to provide \$1,745,500 in 2007-08 and \$4,040,500 in 2008-09 for purchased services for offenders to expand community alternatives to revocation as follows: (a) \$709,100 in 2007-08 and \$998,400 in 2008-09 for community alcohol and other drug abuse treatment; (b) \$125,000 in 2007-08 and \$625,000 in 2008-09 for five day reporting centers

	Chg. to JFC
GPR	- \$1,087,000

(two to open in January, 2008 and three to open in July, 2008); (c) \$410,600 in 2007-08 and \$821,300 in 2008-09 for temporary living placements (75 placements opening in January, 2008); (d) \$1,095,000 in 2008-09 for increased costs associated with existing halfway house contracts; and (e) \$500,800 annually for four-month placements in transitional jobs training. Delete provision specifying that \$500,000 of the funding provided for transitional jobs training be earmarked for the New Hope Project, Inc., a Milwaukee-based nonprofit organization.

As a result of deleting the program expansion, contract bed funding would increase by \$1,224,200 in 2007-08 (65 beds) and \$3,474,800 in 2008-09 (185 beds).

4. TECHNICAL MODIFICATIONS TO GPS TRACKING OF CERTAIN CHILD SEX OFFENDERS (PAGE 127)

Senate/Assembly: Specify that lifetime global positioning system (GPS) tracking applies to persons for whom a special bulletin notification (SBN) is issued on or after the effective date of the provision. [This modification clarifies the statutory language adopted by the Joint Committee on Finance by deleting the phrase "has received" and substituting "receives." As a result, GPS tracking applies beginning January 1, 2008, to offenders for whom a police chief or sheriff receives (rather than "has received") a SBN.

5. SEX OFFENDER REGISTRY FEE (PAGE 128)

Senate: No change to Joint Finance.

Assembly: Adopt the Joint Committee on Finance's recommendation with the following modification: increase the annual fee to up to \$100. Under action of the Joint Committee on Finance, statutory language would be modified to allow the Department to require a person who must register as a sex offender, regardless of whether they are in Corrections' custody or supervision, to pay an annual fee of up to \$50 to support enhanced sex offender management costs for polygraph testing and community treatment. As a result of the increase, additional revenue is estimated to be \$911,500 in 2007-08 and \$907,500 in 2008-09, as compared to the bill.

	Chg. to JFC
PR-REV	\$1,819,000

Department of Corrections -- Juvenile Corrections

2. RESPONSE TO AUDIT OF JUVENILE COURT JURISDICTION FOR 17 YEAR OLDS (PAGE 129)

Senate: No change to Joint Finance.

Assembly: Delete provision directing the Department to submit a response to the audit of the effect of providing juvenile court jurisdiction for 17 year olds to the Joint Legislative Audit Committee and Joint Committee on Finance by March 31, 2008.

Employment Relations Commission

1. DISCIPLINARY PROCEDURES FOR LAW ENFORCEMENT OFFICERS AND FIRE FIGHTERS (PAGE 135)

Senate: Modify the Joint Finance provision and 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.

Assembly: Delete the Joint Finance provision that would have provided that current law appeal provisions applicable to any fire fighter suspended, reduced in rank, suspended and reduced in rank, or removed by an authorized tribunal would not apply to any such person who is subject to the terms of a collective bargaining agreement that provides an alternative to the appeals procedure, unless the person chooses to appeal the order to circuit court. The provision would not apply to City of Milwaukee law enforcement or fire fighting personnel. The provision would have first applied to a person who is suspended, reduced in rank, suspended and reduced in rank, or removed on the effective date of the provision.

General Provisions

17. DESIGNATION OF "FIGHTING BOB" LAFOLLETTE DAY (PAGE 145)

Senate: No change to Joint Finance.

Assembly: Delete the provisions which would designate June 14th annually as "Fighting Bob" LaFollette Day.

Justice

1. CRIME VICTIM COMPENSATION AWARD FUNDING (PAGE 148)

Senate: No change to Joint Finance.

Assembly: Delete the provision specifying that restitution payments received by the state from defendants to offset awards made to victims under the crime victim compensation program would now be credited to a new, PR appropriation created under DOJ to provide additional crime victim restitution. Under current law, approximately \$300,000 annually is credited to the general fund from defendant restitution payments.

	Chg. to JFC
GPR-REV	\$600,000
PR-REV	- \$600,000
FED	- \$180,000
PR	- <u>600,000</u>
Total	- \$780,000

Federal Victims of Crime Act (VOCA) funds are made available to match 60% of state funding for crime victim compensation. It is estimated that providing an additional \$300,000 PR in state crime victim compensation funding in 2007-08, would permit the state to receive an additional \$180,000 FED in VOCA funding in 2008-09.

Under current law, the crime victim compensation program compensates victims and their dependents for the cost of medical treatment (both physical and mental), lost wages, funeral and burial expenses, loss of support to dependents of a deceased victim, and replacement costs of any clothing or bedding that is held for evidentiary purposes. In addition, victims who are homemakers may be compensated for expenses related to securing homemaker services when someone must be hired to perform these services. The maximum award for any one injury or death is \$40,000. This amount is in addition to a \$2,000 maximum reimbursement of burial expenses that may be awarded. In 2006-07, \$2,390,700 (\$1,258,000 GPR, \$643,900 FED and \$488,800 PR) is budgeted under this program to make awards to victims of crime. The program is funded from GPR, from part "A" of the crime victim and witness assistance surcharge and from federal VOCA grants.

3. REIMBURSEMENT FOR COUNTY VICTIM AND WITNESS ASSISTANCE PROGRAMS (PAGE 149)

Senate: No change to Joint Finance.

Assembly: Delete the provision modifying the imposition of the crime victim and witness assistance surcharge to civil offenses. Specifically, delete the provision specifying that the surcharge would now be imposed if: (a) a person is charged with one or more crimes in a complaint; (b) as a result of the complaint being amended, the person is charged with a civil offense in lieu of one of those crimes; and (c) the court finds that the person committed the civil offense on or after the effective date of this change to the surcharge. Under the bill, the

administration estimated that this surcharge change would generate \$660,000 annually in revenue during 2007-09. Under Joint Finance, the revenue from this surcharge change was re-estimated at \$0 annually until revenue growth from the surcharge could be more definitively determined.

Miscellaneous Appropriations

1. ONE-TIME GRANTS (PAGE 154 -- PART)

Senate: No change to Joint Finance.

Assembly: Delete \$72,500 in 2007-08 and an annual GPR aids to individuals and organizations appropriation for funding one-time grants administered by the Department of Administration for the following local purchases and projects. The funding would have been for the following purposes: (a) \$15,000 for furnishings and a concrete apron for spectators at the Resch Aquatic Center in Green Bay; (b) \$10,000 for the Town of Pensaukee to purchase furnishings, including historical photographs and frames, conference furniture, desks, and chairs, for the town hall; (c) \$25,000 for the design and construction of a handicapped-accessible playground in Firemen's Park in the City of Sun Prairie; (d) \$12,500 for the purchase of a lap top computer and projector, a portable sound system with four wireless microphones, and translating equipment for 15 individuals to the Southside Organizing Committee in the City of Milwaukee; and (e) \$10,000 to Greater New Birth, Inc. in the City of Milwaukee to assist with the costs of a project to address child safety and violence reduction programming.

	Chg. to JFC
GPR	- \$72,500

Public Defender

1. REPRESENTATION OF ADULTS SUBJECT TO INVOLUNTARY CIVIL COMMITMENT, PROTECTIVE PLACEMENT, OR INVOLUNTARY ADMINISTRATION OF PSYCHOTROPIC MEDICATION (PAGE 172)

Senate: No change to Joint Finance.

Assembly: Delete \$182,100 in 2008-09, and delete the provision permitting the Office of the State Public Defender (SPD) to represent adults subject to involuntary civil commitment, protective placement, or involuntary administration of psychotropic medication, without making a finding of indigency, first effective with case appointments on July 1, 2008.

	Chg. to JFC
GPR	- \$182,100

The SPD is constitutionally and statutorily required to provide representation to indigent criminal defendants facing a sentence that includes incarceration, certain children involved in proceedings under the Children's and Juvenile Justice Codes (Chapters 48 and 938), indigent persons facing involuntary civil commitment or protective placement, and certain appellants.

The SPD determines indigency based on an analysis of the applicant's income, assets, family size and essential expenses. If a person's assets, less "reasonable and necessary living expenses" (both factors as determined by Wisconsin statutes and administrative rules), are not sufficient to cover the anticipated cost of effective representation when the likely length and complexity of the proceedings are taken into account, the person is determined to be indigent. "Reasonable and necessary living expenses" under the current SPD financial eligibility standard are linked to a 1987 Aid to Families with Dependent Children cost of living table, plus other specified, emergency or essential costs. If an individual does not meet the statutory indigency standard, but is nonetheless determined by a circuit court to have a constitutional right to counsel, the court may appoint an attorney at county, rather than state, expense.

Regulation and Licensing

1. METHODOLOGY FOR ESTABLISHING INITIAL AND RENEWAL FEES (PAGE 173)

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

Senate: 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.

Assembly: Delete the Joint Finance provision that would have specified a one-time \$5 credential fee assessment. Reestimate the amount of GPR-Earned by -\$912,400 in 2007-08 and -\$935,100 in 2008-09 for the deletion of this assessment.

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

2. WHOLESALE DRUG DISTRIBUTORS (PAGE 173)

Senate: Delete Joint Finance action that would have provided \$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. The provision would have specified a \$350 biennial initial and renewal fee for wholesale drug distributors for June 1, 2008, through May 31, 2010, and specified an initial fee of \$53, and a renewal fee of \$300, beginning on June 1, 2010.

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

Repealed Sections. Delete the Joint Finance provision that would have repealed current statutory language that specifies the following: (a) no person may engage in the sale or distribution at wholesale of a prescription drug or device in this state without first obtaining a distributor's license from the Pharmacy Examining Board and (b) no manufacturer or distributor may sell or distribute a prescription drug or device at wholesale to any person other than: (1) pharmacists; (2) practitioners; (3) persons who procure prescription drugs or devices for the purpose of lawful research, teaching or testing and not for resale; (4) hospitals and other institutions which procure prescription drugs or devices for administration to patients; (5) officers or employees of the federal government who are authorized to receive prescription drugs or devices in the performance of their official duties; and (6) distributors.

Wholesale Drug Distributor Licensing Requirement. Delete the Joint Finance provision that would have required every wholesale distributor who engages in the wholesale distribution of prescription drugs to be licensed by the state licensing authority in the state in which it resides. Delete the provision that would have required all non-resident wholesale distributors to be licensed in Wisconsin if they ship prescription drugs into the state, before engaging in wholesale distributions of wholesale prescription drugs. Delete the provision that would have required the Pharmacy Examining Board to exempt manufacturers distributing their own FDA-approved drugs and devices from any licensing and other requirements to the extent not required by federal law or regulation, unless particular requirements are deemed necessary and appropriate following rulemaking.

Delete the Joint Finance provision that would have required anyone seeking a wholesale distributor license to provide the following minimum information under oath: (a) the name, full business address, and telephone number of the applicant; (b) all trade or business names used by the applicant; (c) addresses, telephone numbers, and the names of contact persons for all

facilities used by the applicant for the storage, handling, and distribution of prescription drugs; (d) the type of ownership or operation, including whether the ownership is a partnership, corporation, or sole proprietorship; (e) if the applicant's wholesale distribution business is a partnership, the name of each partner and the name of the partnership; (f) if the wholesale distribution is a corporation, the name of each corporate officer and director, the name of the corporation, and the state of incorporation; (g) if the applicant's wholesale distribution business is a sole proprietorship, the name of the sole proprietor and the name of the business entity; (h) a list of all licenses and permits issued to the applicant by any other state that authorizes the applicant to purchase or possess prescription drugs; (i) the name of the applicant's designated representative for the facility, together with the personal information statement and fingerprints, required pursuant to the personal information statement for such person; (j) a personal information statement that includes fingerprints and the following information: (1) the person's place of residence for the past seven years; (2) the person's date and place of birth; (3) the person's occupations, positions of employment, and offices held during the past seven years; (4) the principal business and address of any business, corporation, or other organization in which each such office of the person was held or in which each such occupation or position of employment was carried on; (5) a statement on whether the person has been, during the past seven years, the subject of any proceeding for the revocation of any professional or business license and, if so, the nature of the proceeding and the disposition of the proceeding; (6) a statement on whether, during the past seven years, the person has been enjoined, either temporarily or permanently, by a court of competent jurisdiction from violating any federal or state law regulating the possession, control, or distribution of prescription drugs or criminal violations, together with details concerning any such event; (7) a description of any involvement by the person with any business, including any investments, other than the ownership of stock in a publicly traded company or mutual fund, during the past seven years, which manufactured, administered, prescribed, distributed, or stored pharmaceutical products and any lawsuits in which such businesses were named as a party; (8) a description of any misdemeanor or felony criminal offense of which the person, as an adult, was found guilty, regardless of whether adjudication of guilt was withheld or whether the person pled guilty or no contest; and (9) a photograph of the person taken within the previous year; and (k) a statement that each facility used by the applicant for the wholesale distribution of prescription drugs has been inspected in the three-year period immediately preceding the date of the application by the Board, a pharmacy examining board of another state, the National Association of Boards of Pharmacy, or other third-party accrediting body recognized by the Pharmacy Examining Board with the date of each inspection. Delete a requirement that would have specified that the Board may provide a license to an out-of-state wholesale drug distributor if that distributor is domiciled within and licensed by a state whose wholesale drug distributor license is deemed by the Board to be at least as stringent as Wisconsin's. Delete the provision that would have required the Board to establish rules that require drug manufacturers to maintain and update a list of their authorized distributors at least once per month.

Delete the provision requiring the Pharmacy Examining Board to grant a license to the applicant if the inspections satisfy the requirements adopted by the Board for wholesale

distribution facilities, and if all the following apply to the applicant: (a) is at least 21 years of age; (b) has been employed full time for at least three years in a pharmacy or with a wholesale distributor in a capacity related to the dispensing and distribution of, and recordkeeping relating to, prescription drugs; (c) is employed by the applicant full time in a managerial level position; (d) is physically present at the facility of the applicant during regular business hours, except when the absence of the designated representative is authorized, including but not limited to, sick leave and vacation leave; (e) is actively involved in, and aware of, the actual daily operation of the wholesale distributor; (f) is serving in the capacity of a designated representative for only one applicant at a time, except where more than one licensed wholesale distributor is co-located in the same facility and such wholesale distributors are members of an affiliated group, as defined in Section 1504 of the Internal Revenue Code; (g) does not have any convictions under any federal, state, or local laws relating to wholesale or retail prescription drug distribution nor distribution of controlled substances; (h) does not have any felony convictions under federal, state or local laws; (i) the person submits two fingerprint cards, each bearing a complete set of the applicants fingerprints, unless the applicant is accredited by the National Association of Boards of Pharmacy's under its Verified-Accredited Wholesale Distributor program in which case fingerprints would not have to be submitted; and (j) pays all initial, renewal, and examination fees required by statute. Delete the Joint Finance provision requiring the Department of Justice to submit the fingerprints provided under a wholesale distributor license application for a statewide criminal record check and for forwarding to the Federal Bureau of Investigation for a national criminal record check of the person. Delete the provision specifying that the Board may set, by rule, continuing education requirement for the designated representative of a wholesale distributor.

Delete the Joint Finance provision that would have required every wholesale distributor applying for a license to submit a bond not to exceed \$100,000, or other equivalent means of security acceptable to the Board. Delete a provision that would have specified that a single bond may suffice to cover all facilities operated by the applicant or members of its affiliated group. Delete the provision specifying that the affiliated group would include a group so defined in Section 1504 of the Internal Revenue Code. Delete the provision exempting chain pharmacy warehouses that are engaged only in intracompany transfers from the bond requirement. Delete the provision that would have specified that the purpose of the bond is to secure payment of any fines or penalties imposed by the state and any fees and costs incurred by the state regarding that license, which are authorized under state law and which the licensee fails to pay 30 days after the fines, penalties, or costs become final. Delete a provision that would have allowed the state to make a claim against such a bond or security until one year after the licensee's license ceases to be valid. Delete a new segregated fund within the Department of Regulation and Licensing for deposits from these bonds or securities and an appropriation from which to make any fines or penalties.

Delete the Joint Finance provision that would have required a wholesale distributor that distributes prescription drugs from more than one facility, to obtain a license for each facility.

Delete the Joint Finance provision requiring the Pharmacy Examining Board, in accordance with each licensure renewal, to send to each wholesale distributor licensed under this provision, a form setting forth the information that the wholesale distributor provided to the Board. Within 30 days of receiving such form, the wholesale distributor would have been required to identify and state, under oath, to the Board all changes or corrections to the information. Delete the provision that would have required changes or corrections to be submitted to the Board as required by the Board. The Board would have been allowed to suspend or revoke the license of a wholesale distributor license.

Delete the Joint Finance provision that would have prohibited information provided by a wholesale distributor from being disclosed to any person or entity other than the Pharmacy Examining Board or any state or federal agency that needs such information for licensing or monitoring purposes.

Restrictions on Transactions. Delete the Joint Finance provision requiring wholesale distributors to receive prescription drug returns or exchanges from a pharmacy, any other person authorized to administer or dispense drugs, or a pharmacy's intracompany warehouse pursuant to the terms and conditions of the agreement between the wholesale distributor and the pharmacy. Delete the provision that would have specified that returns of expired, damaged, recalled, or otherwise non-saleable pharmaceutical products must be distributed by the receiving wholesale distributor only to either the original manufacturer or a third party returns processor. The returns or exchanges of prescription drugs, including any redistribution by a receiving wholesaler, would not have been subject to the pedigree requirements, so long as they were exempt from the pedigree requirement of the FDA's currently applicable Prescription Drug Marketing Act guidance. Wholesale distributors, pharmacies, and any other person authorized to administer and dispense drugs by the Board would have been accountable for administering the returns process and ensuring that the aspects of this operation were secure and did not permit the entry of adulterated or counterfeit product.

Delete the Joint Finance provision that would have prohibited manufacturers and wholesale distributors from furnishing prescription drugs to any person that is not licensed by the appropriate Pharmacy Examining Board. Before furnishing prescription drugs to a person not known to the manufacturer or wholesale distributor, the program would have specified that the manufacturer or wholesale distributor must affirmatively verify that the person is legally authorized to receive the prescription drugs by contacting the appropriate Pharmacy Examining Board.

Delete the Joint Finance provision specifying that prescription drugs furnished by a manufacturer or wholesale distributor may be delivered only to the premises listed on the license or authorization, except that a manufacturer or wholesale distributor may distribute prescription drugs to an authorized agent of that person at the premises of the manufacturer or wholesale distributor if: (a) the manufacturer or wholesale distributor documents the authorized agent's name and address; and (b) the distribution to an authorized agent is necessary to promote the immediate health or safety of the authorized agent patient.

Delete the Joint Finance provision that would have allowed prescription drugs to be furnished to a hospital pharmacy receiving area provided that an authorized pharmacist signs, at the time of delivery, a receipt showing the type and quantity of the prescription drug so received. If there was a discrepancy between the type and quantity of prescription drugs indicated on the receipt and the type and quantity of the prescription drugs received at the hospital pharmacy receiving area, the distributor would have been required to report the discrepancy to the manufacturer or wholesale distributor that distributed the prescription drugs no later than the day immediately following the date on which the prescription drugs were distributed.

Delete the Joint Finance provision that would have prohibited a manufacturer or wholesale distributor from accepting payment for, or allowing the use of, a person or entity's credit to establish an account for the purchase of prescription drugs from any person other than the owner(s) of record, the chief executive officer, or the chief financial officer listed on the license of a person or entity legally authorized to receive prescription drugs. Delete the provision requiring that any account established for the purchase of prescription drugs must bear the name of the licensee.

Pedigree. Delete the Joint Finance provision that would have specified that wholesale distributors must establish and maintain a pedigree for each prescription drug that leaves, or has ever left, the normal distribution channel. Delete the provision that would have required a wholesale distributor to provide a copy of the pedigree to the person receiving the drug before a prescription drug left a normal distribution channel. This would not have applied to a retail pharmacy or a pharmacy intracompany warehouse unless the pharmacy or pharmacy intracompany warehouse engaged in the wholesale distribution of drugs.

Delete the Joint Finance provision that would have required the pedigree to include all necessary identifying information concerning each sale in the chain of distribution of the product from the manufacturer or the manufacturer's third party logistics provider/co-licenses product partner/manufacturer's exclusive distributor through acquisition and sale by any wholesale distributor or repackager, until final sale to a pharmacy or other person dispensing or administering the drug. Delete the provision that would have specified at a minimum, the necessary chain of distribution information must include: (a) the name, address, telephone number, and if available, the e-mail address, of each recipient or distributor of the prescription drug in the chain of distribution; (b) the name and address of each location from which the product was shipped, if different from the owner's; (c) the transaction dates; (d) certification that each recipient has authenticated the pedigree; and (e) the name, dosage strength, size and number of containers, lot number, and name of the manufacturer for each prescription drug.

Delete the Joint Finance provision that would have required the Pharmacy Examining Board to determine by July 1, 2009, an implementation date for electronic track and trace pedigree technology and required the technology be implemented no sooner than July 1, 2010. The Board would have been allowed to extend the date of implementation in one year

increments if it appeared technology was not universally available across the entire prescription pharmaceutical supply chain.

Delete the Joint Finance provision requiring each person engaged in the wholesale distribution of a prescription drug, including repackagers, but excluding the original manufacturer of the finished form of the prescription drug, who is provided a pedigree for a prescription drug and attempts to further distribute that prescription drug, to verify before any distribution of a prescription drug occurs that each transaction listed on the pedigree has occurred before the drug is distributed.

Delete the Joint Finance provision that would have required each pedigree to be: (a) maintained by the purchaser and the wholesale distributor for not less than three years from the date of distribution; and (b) available for inspection or use upon request of an authorized officer of the law, within seven days of the officer's request.

Order to Cease Distribution of a Drug. Delete the Joint Finance provision that would have specified that the Board shall order a wholesale distributor of a drug to cease distribution in this state, if the Board finds that there is a reasonable probability that the prescription drug could cause death or serious adverse health consequences, if additional procedures would result in an unreasonable delay, and the distributor has done one of the following: (a) violated any provision required in obtaining a wholesale distributors license; (b) violated requirements for the transaction of drugs; (c) failed to adequately follow pedigree documentation requirements; or (d) falsified a pedigree or sold, distributed, transferred, manufactured, repackaged, handled, or held a counterfeit prescription drug intended for human use. Require the Board to provide an opportunity for an informal hearing not more than 10 days after the date on which the order is issued. If, after a hearing, the Board determines that the order was issued without sufficient grounds, the Board shall vacate the order.

Prohibited Acts. Delete the Joint Finance provision that would have specified that any person, who distributes wholesale drugs, knowingly does any of the following is guilty of a Class H felony (three years in prison and three years extended supervision): (a) fails to obtain a license required under this motion; (b) purchases or otherwise receives a prescription drug from a pharmacy in violation of this motion; (c) delivers drugs to an unauthorized person; (d) distributes drugs an incorrect premises; (e) accepts payment for, or allows the use of another person account for providing drugs; (f) does not properly maintain the pedigree requirements of this motion; (g) provides false or fraudulent records to, or makes a false or fraudulent statement to, the Board, a representative of the Board, or a federal official; (h) obtains or attempts to obtain a prescription drug by fraud, deceit, or misrepresentation, or engages in misrepresentation or fraud in the distribution of a prescription drug; (i) manufactures, repackages, sells, transfers, delivers, holds, or offers for sale a prescription drug that is adulterated, misbranded, counterfeit, suspected of being counterfeit, or otherwise unfit for distribution, except for wholesale distribution by a manufacturer of a prescription drug that has been delivered into commerce pursuant to an application approved by the FDA; (j) adulterates, misbrands, or counterfeits a prescription drug, except for wholesale distribution by a

manufacturer of a prescription drug that has been delivered into commerce pursuant to an application approved by the FDA; (k) receives a prescription drug that has been adulterated, misbranded, stolen, obtained by fraud or deceit, counterfeited, or suspected of being counterfeited, and delivers or proffers such a drug; and (l) alters, mutilates, destroys, obliterates, or removes any part of the labeling of a prescription drug or commits another act that results in the misbranding of a prescription drug.

Delete the Joint Finance provision that would have specified that these penalties would not apply to a prescription drug manufacturer or an agent of a prescription drug manufacturer, if the manufacturer or agent is obtaining or attempting to obtain a prescription drug for the sole purpose of testing the authenticity of the drug.

Delete the Joint Finance provision that would have prohibited a person to perform or cause the performance of, or aid and abet, any of the following acts in this state: (a) failure to obtain a license in accordance with this provision; (b) purchasing or receiving a prescription drug from a pharmacy other than as specified under this provision; (c) the sale, distribution, or transfer of a prescription drug to a person that is not authorized under the law of the jurisdiction in which the person receives the prescription drug to receive the prescription drug; (d) failure to deliver prescription drugs to specified premises; (e) accepting payment or credit for the sale of prescription drugs; (f) failure to maintain or provide pedigrees; (g) failure to obtain, pass, or authenticate a pedigree; (h) providing the state or any of its representatives or any federal official with false or fraudulent records or making false or fraudulent statements; (i) obtaining or attempting to obtain a prescription drug by fraud, deceit, misrepresentation or engaging in misrepresentation or fraud in the distribution of a prescription drug; (j) except for the wholesale distribution by manufacturers of a prescription drug that has been delivered into commerce pursuant to an application approved under federal law by the FDA, the manufacturer, repacking, sale, transfer, delivery, holding, or offering for sale any prescription drug that is adulterated, misbranded, counterfeit, suspected of being counterfeit, or has otherwise been rendered unfit for distribution; (k) except for the wholesale distribution by manufacturers of a prescription drug that has been delivered into commerce pursuant to an application approved under federal law by the FDA, the adulteration, misbranding, or counterfeiting of any prescription drug; (l) the receipt of any prescription drug that is adulterated, misbranded, stolen, obtained by fraud or deceit, counterfeit, or suspected of being counterfeit, and the delivery or proffered delivery of such drug for pay or otherwise; and (m) the alteration, mutilation, destruction, obliteration, or removal of the whole or any part of the labeling of a prescription drug or the commission of any other act with respect to a prescription drug that results in the prescription drug being misbranded.

Delete the Joint Finance provision that would have specified that the prohibited acts do not apply to a prescription drug manufacturer, or agent of a prescription drug manufacturer, obtaining or attempting to obtain a prescription drug of the sole purpose of testing the prescription drug for authenticity.

Effective Date. Delete the effective date of Joint Finance wholesale licensing provisions (June 1, 2008). Delete the provision requiring the Department to set emergency rules regarding the regulation of wholesale drug distributors, allowing the Department to set emergency rules without showing that an emergency exists, and specifying that the initial rules must be completed by March 1, 2008.

Definitions. Delete the definition of the following terms:

"Affiliated group" as having the meaning given under Section 1504 of the Internal Revenue Code.

"Authentication" as affirmatively verifying before any wholesale distribution of a prescription drug occurs that each transaction listed on the pedigree has occurred.

"Authorized distributor of record" as a wholesale distributor with whom a manufacturer has established an ongoing relationship to distribute the manufacturer's prescription drug. An ongoing relationship would have existed between such wholesale distributor and a manufacturer when the wholesale distributor, including any affiliated group of the wholesale distributor, complied with the following: (a) the wholesale distributor, including any affiliated group of the wholesale distributor, had in effect a written agreement evidencing such ongoing relationship; and (b) the wholesale distributor, including any affiliated group of the wholesale distributor, was included in the manufacturer's current list of authorized distributors of record.

"Co-licensed partner or product" as an instance where two or more parties have the right to engage in the manufacturing and/or marketing of a prescription drug, consistent with the Food and Drug Administration's (FDA) implementation of the federal Prescription Drug Marketing Act.

"Drop shipment" as the sale of a prescription drug to a wholesale distributor by the manufacturer of the prescription drug, or that manufacturer's co-licensed product partner, that manufacturer's third party logistics provider, that manufacturer's exclusive distributor, or by an authorized distributor of record that purchased the product directly from the manufacturer or one of the entities whereby the wholesale distributor takes title but not physical possession of such prescription drugs and the wholesale distributor invoices the pharmacy or the person authorized by law to dispense or administer such drug, and the pharmacy or other authorized person receives delivery of the prescription drug directly from the manufacturer, the manufacturer's co-licensed partner, that manufacturer's third party logistics provider, that manufacturer's exclusive distributor, or from an authorized distributor of record that purchased the product directly from the manufacturer or one of these entities.

"Facility" as a location in which a wholesale distributor stores, handles, repackages, or offers for sale prescription drugs.

"Intracompany sales" as any transaction or transfer between any division, subsidiary, parent, or affiliated or related company under common ownership and control of the corporate entity or any transaction or transfer between colicensees of a colicensed product.

"Manufacturer" as a person licensed or approved by the federal Food and Drug Administration to engage in the manufacture of drugs or devices, consistent with the Food and Drug Administration definition of "manufacturer" under the FDA's regulations and guidances implementing the Prescription Drug Marketing Act.

"Manufacturer's exclusive distributor" as anyone who contracts with a manufacturer to provide or coordinate warehousing, distribution, or other services on behalf of a manufacturer and who takes title to that manufacturer's prescription drug, but who does not have general responsibility to direct the sale or disposition of the manufacturer's prescription drug. Delete the provision that would have specified that a manufacturer's exclusive distributor would be required to obtain a license as a wholesale distributor and must have been an authorized distributor of record, to be considered part of the "normal distribution channel."

"Normal distribution channel" as a chain of custody for a prescription drug that goes directly or by drop shipment from a manufacturer of the prescription drug or from that manufacturer to that manufacturer's co-licensed partner, or from that manufacturer to that manufacturer's third-party logistics provider, or from that manufacturer to that manufacturer's exclusive distributor to one of the following: (a) either a pharmacy or the designated persons authorized by law to dispense or administer such drug to a patient; (b) an authorized distributor or record, and then to either a pharmacy, or to such other designated persons authorized by law to dispense or administer such drug to a patient; or (c) an authorized distributor of record to one other authorized distributor of record to an office-based health care practitioner authorized by law to dispense such drug to a patient. Delete the provision specifying that, for the purposes of "normal distribution channel" a distribution to a warehouse or other entity that distributes by intracompany sale to a pharmacy or other designated persons authorized to dispense or administer such drug, would be considered a distribution to such pharmacy or other designated person authorized by law to dispense or administer such drug.

"Pedigree" as a document or electronic file containing information that records each distribution or any given prescription drug.

"Repackage" as repackaging or otherwise changing the container, wrapper, or labeling of a prescription drug to further the distribution of a prescription drug excluding that completed by the pharmacists responsible for dispensing product to the patient. Delete the provision that would have specified that repackaging would not include a return for a patient or agent of a patient to deliver previously dispensed drugs or devices to a pharmacy for the purpose of repackaging and labeling of that previously dispensed drug or device, and subsequent return of the drugs or devices for the same patient's use.

"Repackager" as a person who repackages.

"Third party logistics provider" as anyone who contracts with a prescription drug manufacturer to provide or coordinate warehousing, distribution, or other services on behalf of a manufacturer, but does not take title to the prescription drug or have general responsibility to direct the prescription drug's sale or disposition. Delete the provision that would have specified that a third party logistics provider must be licensed as a wholesale distributor, be considered part of the normal distribution channel, and be an authorized distributor of record.

"Wholesale distribution" as the distribution of prescription drugs to persons other than a consumer or patient, not including: (a) intracompany sales of prescription drugs; (b) the sale, purchase, distribution, trade, or transfer of a prescription drug or offer to sell, purchase, distribute, trade, or transfer a prescription drug for emergency medical reasons; (c) the distribution of prescription drug samples by manufacturers' and authorized distributors' representatives as authorized under 21 Code of Federal Regulations section 353(d); (d) drug returns, when conducted by a hospital, health care entity, or charitable institution in accordance with 21 Code of Federal Regulations section 203.23 or other drug returns that are authorized under state law, including returns to the chronic disease repository under s. 255.056 of the statutes; (e) the sale of minimal quantities, as defined by the Pharmacy Examining Board under administrative rule, of prescription drugs by retail pharmacies to licensed practitioners for official use; (f) the sale, purchase, or trade of a drug, an offer to sell, purchase, or trade a drug, or the dispensing of a drug pursuant to a prescription; (g) the sale, transfer, merger or consolidation of all or part of the business of a pharmacy or pharmacies from or with another pharmacy or pharmacies, whether accomplished as a purchase and sale of stock or business assets; (h) the sale, purchase, distribution, trade, or transfer of a prescription drug from one authorized distributor of record to one additional authorized distributor of record when the manufacturer has stated in writing to the receiving authorized distributor of record that the manufacturer is unable to supply such prescription drug and the supplying authorized distributor of record states in writing that the prescription drug being supplied had until that time been exclusively in the normal distribution channel; (i) the delivery of, or offer to deliver, a prescription drug by a common carrier solely in the common carrier's usual course of business of transporting prescription drugs, and such common carrier's usual course of business of transporting prescription drugs, and such common carrier does not store, warehouse, or take legal ownership of the prescription drug; and (j) other transactions excluded from for the definition of wholesale distribution under federal regulations, 21 Code of Federal Regulations 203.3(cc).

"Wholesale distributor" as anyone engaged in the wholesale distribution of prescription drugs, including, but not limited to, manufacturers; repackagers; own-label distributors; private-label distributors; jobbers; brokers; warehouses, including manufacturers' and distributors' warehouses; manufacturer's exclusive distributors; and authorized distributors of record; drug wholesalers or distributors; independent wholesale drug traders; third party logistics providers; and retail pharmacies that conduct wholesale distribution; and chain pharmacy warehouses that conduct wholesale distribution. To be considered part of the

normal distribution channel such wholesale distributor would have been required to be the authorized distributor of record.

Assembly: No change to Joint Finance.

Supreme Court

1. STANDARDIZED COUNTY COURT COST REPORTING PROGRAM AND COURT AUDIT POSITION (PAGE 183)

Senate: No change to Joint Finance.

Assembly: Delete \$49,500 in 2007-08 and \$73,000 in 2008-09 for 1.0 auditor position (a two-year project position) associated with creation of a standardized program for the recording, reporting, and auditing of annual county reports of court costs and revenues submitted to the Director of State Courts Office. Further, delete provisions: (a) allowing the Director of State Courts to create a uniform chart of accounts that each county would be required to use for recording all financial transactions relating to the operations of circuit courts; (b) specifying that the Director of State Courts may audit information that is submitted by the counties; and (c) directing the Director of State Courts to consult with the Department of Revenue in developing a uniform chart of accounts. Remove the provision modifying current law to: (a) require counties to submit financial information to the Director of State Courts annually by May 15th (rather than July 1st) beginning in 2009; (b) specify that information submitted to the Director of State Courts follow the uniform chart of accounts; and (c) specify that financial information that is provided also include revenues collected or received by the court in the previous calendar year.

	Change to JFC Funding Positions	
GPR	-\$122,500	- 1.00

Maintain current law which specifies that: (a) no action is required and no condition may be imposed on a county to receive a payment under the circuit court support program, "including applying for, submitting information in connection with, entering into a memorandum of understanding concerning or making any other agreement regarding the payment;" and (b) except in cases where a county fails to report or in which a circuit court support payment exceeds actual reported costs, the Director of State Courts may not withhold county payments.

2. FEDERAL GRANT FOR CHILDREN'S COURT INITIATIVE PROJECT (PAGE 184)

Senate: No change to Joint Finance.

Assembly: Delete \$58,000 GPR and 1.0 GPR training coordinator position and \$197,000 FED annually to support a new federal Court Improvement Program grant to the Director of State Courts Office. Funding was intended to support training of judges, attorneys, and other legal personnel in child welfare cases, and cross-training initiatives with child welfare agencies and agency contractors. The training coordinator would be responsible for facilitating training and education programs in the child welfare system.

	Change to JFC	
	Funding	Positions
GPR	- \$116,000	- 1.00
FED	- 394,000	0.00
Total	- \$510,000	- 1.00

Since 1995, the federal Court Improvement Program (CIP) has provided grants to enable state court systems to assess and improve their foster care and adoption systems. The Director of State Courts Office has received previous CIP grants, and was awarded the new CIP grant in September, 2006. The total grant amount is \$262,600, with 75% in federal funds (\$197,000), and a required 25% state match of \$65,600. The \$58,000 GPR and 1.0 GPR position was intended to go toward meeting the 25% match requirement funding.

5. CIRCUIT COURT AUTOMATED INFORMATION SYSTEMS FEE (PAGE 185)

Senate: No change to Joint Finance.

Assembly: Delete provision modifying statutory language to allow the Director of State Courts Office to establish and charge fees for use of electronic filing of court documents under the circuit court automated information systems.

Veterans Affairs

2. FEASIBILITY STUDIES FOR CEMETERY (PAGE 186)

Senate: No change to Joint Finance.

Assembly: Provide \$35,000 in 2007-08 for a study of a new state veterans cemetery in Outagamie County.

	Chg. to JFC
SEG	\$35,000

Health and Family Services -- Health Care Quality Fund (HCQF)

8. GRANT TO SUPPORT COLPOSCOPY PROGRAM AND ONGOING COSTS FOR SERVING MA RECIPIENTS (PAGE 193)

Senate: Modify the JFC provision that would provide \$100,000 SEG in 2007-08 and \$75,000 SEG in 2008-09 from the HCQF for DHFS to distribute to an entity to provide colposcopic examinations and fund ongoing operational costs for services provided to individuals enrolled in, or eligible for, medical assistance so that this item would be funded from GPR, rather than SEG revenues.

Chg. to JFC	
GPR	\$175,000
SEG	<u>- 175,000</u>
Total	\$0

Under the JFC provision, DHFS would be required to distribute this funding to an entity that meets the following criteria: (a) the entity is located in the western or northern Wisconsin public health region of the state as determined by DHFS; and (b) the entity provides Papanikolaou tests (Pap smears) to a patient population, of which at least 50% are enrolled in, or eligible for, medical assistance. These criteria would not be modified.

Assembly: Modify the Joint Finance provision by: (a) deleting all SEG funding from the HCQF; and (b) instead providing \$37,500 GPR annually for this purpose.

Chg. to JFC	
GPR	\$75,000
SEG	<u>- 175,000</u>
Total	- \$100,000

9. WISCONSIN WELL -WOMAN PROGRAM (PAGE 194)

Senate: Modify the provision that would provide \$62,500 SEG annually from the HCQF to provide additional breast cancer and cervical cancer screenings under the Wisconsin well-woman program so that this item would be funded from GPR, rather than SEG revenues.

Chg. to JFC	
GPR	\$125,000
SEG	<u>- 125,000</u>
Total	\$0

Assembly: Modify the Joint Finance provision by: (a) deleting all SEG funding from the HCQF; and (b) instead providing \$37,500 GPR annually for this purpose.

Chg. to JFC	
GPR	\$75,000
SEG	<u>- 125,000</u>
Total	- \$50,000

Health and Family Services -- Medical Assistance -- Long-Term Care

1. FAMILY CARE EXPANSION (PAGE 194)

Senate: No change to Joint Finance.

Assembly: Delete statutory and funding changes relating to the expansion of Family Care. Reduce funding by \$18,284,100 (-\$930,000 GPR, -\$6,938,900 FED and -\$10,415,200 PR) in 2007-08 and by \$62,319,400 (-\$19,145,700 GPR, -\$13,693,600 FED and -\$29,480,100 PR) in 2008-09.

	Chg. to JFC
GPR	- \$5,208,200
FED	- 16,035,000
PR	- 39,895,300
Total	- \$61,138,500

Instead, provide \$9,609,500 (\$7,339,800 GPR and \$2,269,700 FED) in 2007-08 and \$9,855,500 (\$7,527,700 GPR and \$2,327,800 FED) in 2008-09 to fully fund aging and disability resource centers (ADRCs) established during the 2005-07 biennium without sufficient ongoing base funding. No additional funding for the expansion of the Family Care program would be provided.

Retain the provisions that would: (a) replace the current titles of definitions of functional eligibility for the Family Care benefit with "nursing home level of care," rather than "comprehensive," and "non-nursing home level of care," rather than "intermediate;" and definitions clarifying when an individual has met each level of functional eligibility; and (b) eliminate the current law requirement that DHFS extend entitlement for the Family Care benefit to people who are not eligible for MA by January 1, 2008. However, permit individuals who are not eligible for MA, but who are currently receiving services under the Family Care benefit upon the passage of the bill, to continue to be eligible for, but not entitled to, the Family Care benefit. Provide that an individual must be eligible for MA in order to be entitled to the Family Care benefit. Retain the provision that would require DHFS to contract for ombudsman services for Family Care enrollees who are developmentally disabled, and the provision that would require case management organizations to contract with any willing provider.

2. FAMILY CARE -- FUNCTIONAL ELIGIBILITY DEFINITIONS (PAGE 195)

Senate/Assembly: Specify that the provisions that would replace the current titles of definitions of functional eligibility for the Family Care benefit with "nursing home level of care" rather than "comprehensive" and "non-nursing home level of care" rather than "intermediate" be made effective January 1, 2008, rather than on the effective date of the bill.

9. STATE LONG-TERM CARE PARTNERSHIPS -- TRAINING REQUIREMENTS FOR INDIVIDUALS WHO SELL LONG-TERM CARE INSURANCE POLICIES (PAGE 198)

Senate/Assembly: Modify the provision that would direct the Office of the Commissioner of Insurance (OCI) to develop training requirements for individuals who sell long-term care insurance policies to instead require OCI to approve training requirements.

The JFC provision would require DHFS to submit an amendment to the state MA plan that establishes a long-term care partnership program, and would direct DHFS to implement the program if the amendment were approved. Under the program, DHFS would exclude an amount equal to the amount of benefits that an individual receives under a qualifying long-term care insurance policy, when determining: (a) the individual's resources for purposes of determining the individual's eligibility for MA; and (b) the amount to be recovered from the individual's estate if the individual received MA.

The JFC provision requires DHFS and OCI to develop a training program for individuals who sell long-term care insurance policies to ensure that those individuals understand the relation of long-term care insurance to the MA program and are able to explain to consumers the protections offered by long-term care insurance and how this type of insurance relates to private and public financing of long-term care. The JFC provision specifies requirements for this training program, and prohibits a person from soliciting, negotiating, or selling long-term care insurance unless the person is a licensed intermediary and he or she completes the initial training program by January 1, 2009, and completes the ongoing training every 24 months after completing the initial training.

Health and Family Services -- Medical Assistance -- General

2. BADGERCARE PLUS AND HEALTH CARE TAX CREDIT (PAGE 199)

Senate: No change to Joint Finance.

Assembly: Delete the provision that would repeal the current statutory requirement that the HIRSP Authority design and administer a health care tax credit (HCTC) program, under which a covered individual may receive a federal income tax credit for a portion of the premiums they pay for coverage.

In addition, delete the provisions that would: (a) require DHFS to seek any necessary federal approvals to ensure that BadgerCare Plus is a HCTC qualifying plan; (b) specify that, if BadgerCare Plus is determined to be a HCTC qualifying plan, expand eligibility to BadgerCare Plus to include any individual who would be eligible for the HCTC, and that these individuals would remain eligible for BadgerCare Plus as long as they are eligible for the HCTC; and (c) specify that all individuals eligible for the HCTC would be required to pay premiums equal to the capitation payments DHFS would make on behalf of similar individuals enrolled in BadgerCare Plus, or the full per member per month cost of coverage, whichever is appropriate.

5. DENTAL RATE INCREASE PILOT PROJECT (PAGE 200)

Senate: No change to Joint Finance.

Assembly: Delete the provision that would provide \$4,112,800 (\$1,750,000 GPR and \$2,362,800 FED) in 2007-08 and \$4,172,600 (\$1,750,000 GPR and \$2,422,600 FED) in 2008-09 to increase MA pediatric dental rates in Brown, Racine, and La Crosse Counties, beginning in 2007-08, under a pilot project.

	Chg. to JFC
GPR	- \$3,500,000
FED	- <u>4,785,400</u>
Total	- \$8,285,400

Under Joint Finance, DHFS would be directed to seek any necessary approval from the U.S. Secretary of Health and Human Services to implement the project, and, if the Secretary provides the approval, or if no such approval is required, DHFS would be required to implement the rate increase for the remainder of the 2007-09 biennium. If DHFS implements the rate increase, DHFS would be required to report on the effect of this pilot project to the Joint Committee on Finance and the appropriate standing committees of the Legislature by no later than January 1, 2009, on the effect the rate increase had on dental access to MA and BadgerCare recipients. DHFS would be permitted to use total funding under this item (\$8,285,400 all funds) in either or both years of the biennium.

9. FAMILY PLANNING DEMONSTRATION PROJECT (PAGE 202)

Senate: No change to Joint Finance.

Assembly: Delete the provisions that would: (a) provide family planning services to men between the ages of 15 and 44, in addition to women in that age range (as provided in current law); and (b) increase, from 185% to 200% of the federal poverty level, the maximum family income a man or woman may have as a condition of participating in the program. Increase funding for MA benefits by \$711,200 (\$375,400 GPR and \$335,800 FED) in 2008-09 to reflect this change.

	Chg. to JFC
GPR	\$375,400
FED	<u>335,800</u>
Total	\$711,200

In addition, increase from 15 years to 18 years, the minimum age a woman must be to enroll in the program.

Health and Family Services -- Health

1. VITAL RECORDS AUTOMATION PROJECT AND VITAL RECORDS FEES (PAGE 204)

Senate: No change to Joint Finance.

Assembly: Delete the JFC provision that would provide \$3,452,600 GPR in 2007-08 and \$4,547,400 GPR in 2008-09 for the automation of the state's vital records system. Joint Finance would provide the GPR funding for the vital records automation project in Joint Committee on Finance program supplemental appropriation.

	Chg. to JFC
PR-REV	\$6,927,800
GPR	-\$8,000,000

Instead, increase vital records fees as follows: (a) increase the fee for one certified copy or one uncertified copy of a birth certificate from \$12 to \$20; (b) increase the fee for one certified copy or one uncertified copy of a death, marriage, or divorce record from \$7 to \$20; and (c) increase the fee for expedited services from \$10 to \$20. Require the state registrar and any local registrar to forward to the DOA Secretary the full amount of the increase in these fees for deposit in the DHFS vital records program revenue appropriation. Increase estimated program revenue by \$2,958,500 in 2007-08 and \$3,969,300 in 2008-09. Specify that these fee increases would sunset on July 1, 2010. This item would not increase DHFS' PR appropriation to expend additional revenue from the proposed fee increases. However, DHFS could seek authority under s. 16.515 of the statutes to expend these revenues for the vital records automation project.

2. GRANTS FOR COMMUNITY HEALTH CENTERS (PAGE 204)

Senate: No change to Joint Finance.

Assembly: Delete the provision that would increase funding to support community health centers by \$3,000,000, beginning in 2008-09. Base funding for these grants is \$3,000,000 GPR annually.

	Chg. to JFC
GPR	-\$3,000,000

6. HIV/AIDS PROGRAMS -- HIRSP PILOT PROGRAM (PAGE 205)

Senate: No change to Joint Finance.

Assembly: Reduce funding for the state's HIV/AIDS program by \$400,000 in 2007-08, and by \$876,600 in 2008-09 to reflect: (a) reducing funding for the Mike Johnson life care and early intervention grants, by \$400,000 in 2007-08 and by \$1,000,000 in 2008-09; and (b) beginning the HIRSP pilot project on January 1, 2008, rather than October 1, 2007. Delete statutory changes that would increase the amounts DHFS can award in Mike Johnson life care and early intervention grants.

	Chg. to JFC
GPR	-\$1,276,600

8. INFANT MORTALITY PROJECT (PAGE 206)

Senate: No change to Joint Finance.

Assembly: Delete the provision that would provide one-time funding of \$250,000 in 2007-08 and \$250,000 in 2008-09 for an infant mortality project in Racine County.

	Chg. to JFC
GPR	- \$500,000

The JFC provision would require DHFS to provide one-time funding of \$250,000 GPR in 2007-08 and 2008-09 for DHFS to distribute to the city health department (Racine) in a county with a population of at least 190,000 but less than 230,000 to provide a program of services to reduce fetal and infant mortality under which the city health department shall directly or indirectly do all of the following in or behalf of areas of the county that are encompassed by the zip codes 53402 to 53406 and that are at risk for high fetal and infant mortality and morbidity, as determined by DHFS:

a. Collaborate with faculty in the health disciplines of an academic institution and with a hospital that serves significant populations at high risk for poor birth outcomes, including low birth weights, prematurity, and gestational diabetes, to identify and implement best practices and evidenced-based practices to reduce fetal and infant mortality and morbidity;

b. Identify necessary pre-conception, prenatal, and postnatal services and assess the availability of these services for women in the areas who lack insurance coverage or who are Medicaid or BadgerCare recipients;

c. Develop and implement models of care for all women in the areas who meet risk criteria, as specified by the department, and provide comprehensive prenatal and postnatal care coordination and other services, including home visits by registered nurses who are public health nurses or who meet the qualifications of public health nurses, as specified in statute, or social workers, as defined in statute;

d. Conduct social marketing, including outreach assuring health care access, public awareness programs, community health education programs, and other best practices and evidence-based practices, to reduce fetal and infant mortality and morbidity;

e. Evaluate the quality and effectiveness of the services provided under paragraphs c. and d., above, and

f. Annually prepare a report on fetal and infant mortality and morbidity in areas of the county that are encompassed by the zip codes 53402 to 53406, which shall be derived, in part, from a multi-disciplinary review of all fetal and infant deaths in the relevant year and shall specify causation found for the mortality or morbidity. Require the city health department to submit the report to all of the following: (1) the City of Racine; (2) DHFS; (3) the Legislature in the manner provided by statute; and (4) the Governor.

Health and Family Services -- Institutions

1. FUNDING FOR THE STATE CENTERS TO PAY THE PROPOSED INCREASE IN THE ICF-MR ASSESSMENT (PAGE 211)

Senate/Assembly: Provide \$544,400 in 2007-08 to enable the three state centers for the developmentally disabled to fully fund the cost of the bed assessment increase that would take effect on July 1, 2007. The PR funding in the JFC substitute amendment was based on the assumption that the increase in the ICF-MR bed assessment would take effect on January 1, 2008, although the provision would take effect on July 1, 2007. This item would correct the amount of PR expenditure authority that would be required for the centers to pay the increased assessments.

Chg. to JFC	
PR	\$544,400

2. CENTERS POSITION ADJUSTMENTS DUE TO CIP IA PLACEMENTS (PAGE 211)

Senate/Assembly: Provide an additional 6.64 positions, beginning in 2007-08, for the state centers for the developmentally disabled so that 17.56 positions, rather than 24.20 positions, would be deleted, beginning in 2007-08, due to placements from the centers under the community integration program (CIP IA) that occurred in the 2005-07 biennium. This adjustment would permit DHFS to accomplish the statutory funding reduction, by eliminating fewer, but higher cost vacant positions, than under the JFC substitute amendment.

Chg. to JFC	
PR	6.64

3. TREATMENT -TO- COMPETENCY SERVICES (PAGE 211)

Senate: No change to Joint Finance.

Assembly: Delete the provision that would provide \$262,500 in 2007-08 and \$345,500 in 2008-09 to fund treatment-to-competency services, and delete all statutory changes in the bill relating to these services.

Chg. to JFC	
GPR	- \$608,000

Under Chapter 971 of the statutes, if a court determines that a criminal defendant is not competent to stand trial, but is likely to become competent within a period of time not to exceed 12 months or the maximum sentence specified for the most serious offense with which the defendant is charged, whichever is less, the court suspends the criminal proceedings and commits the defendant to the custody of DHFS for placement in an appropriate institution (currently, one of the state mental health institutes), where the defendant receives treatment-to-competency services.

Joint Finance would provide funding to establish a pilot program in Milwaukee County that would provide treatment-to-competency services in locations other than the state mental health institutes, and permit these services to be provided in other DHFS facilities, jails, or community settings.

Health and Family Services -- Disability and Elder Services and Departmentwide Services

4. WISCONSIN COUNCIL ON DEVELOPMENTAL DISABILITIES (PAGE 213)

Senate: Delete the JFC provision that would transfer the Wisconsin Council on Developmental Disabilities from DHFS to the Department of Children and Families (DCF), effective July 1, 2008. Instead, create a new state agency, the Board for People with Developmental Disabilities (BPDD), and assign the agency the statutory responsibilities currently assigned to the Council.

Chg. to JFC	
FED	- \$3,600

Reduce funding for DHFS by \$15,000 GPR and \$1,271,800 FED in 2007-08 and reduce funding for DCF by \$15,000 GPR and \$1,268,200 FED in 2008-09 and increase funding for BPDD by \$15,000 GPR and \$1,268,200 annually. Delete 7.75 FED positions from DHFS in 2007-08 and delete 7.75 FED positions from DCF in 2008-09 and provide 7.75 FED positions to BPDD, beginning in 2007-08. Create GPR and FED appropriations for the BPDD's operations, and a FED appropriation for project aids. Attach BPDD to DOA for administrative purposes only, effective with the passage of the biennial budget bill.

Require DHFS to ensure that the matching funds requirement for the state developmental disabilities councils grant, as received from the U.S. Department of Health and Human Services (DHHS), is met by reporting to DHHS county expenditures for services to persons with developmental disabilities under the community aids program.

Specify that: (a) the assets and liabilities related to the functions of Council would become the assets and liabilities of BPDD; (b) incumbent employees holding positions, relating to the functions of the Council would be transferred to BPDD; (c) transferred employees would have the same rights and status in BPDD that they enjoyed in DHFS, and no employee transferred who has attained permanent status would have to serve a probationary period; (d) all tangible personal property, including records, related to the functions of the Council would be transferred to BPDD; (e) all contracts related to the functions of the Council would remain in effect and would be transferred to BPDD, which would be required to carry out these contractual obligations unless modified or rescinded by BPDD to the extent allowed under the contract.

The Council has recently indicated that the proposed transfer to DCF would likely not be permitted under federal law, since DCF would, under the bill, administer programs supported with federal funds the state receives under the temporary assistance for needy families program.

Assembly: Delete the JFC provision to transfer funding and staff for the Wisconsin Council on Developmental Disabilities from DHFS to the Department of Children and Families (DCF) to reflect the deletion of all of the provisions in the bill that would create DCF. See "Health and Family Services --Children and Families." Instead, retain the Council's staff and funding in DHFS. Increase net funding in the bill by \$3,600 FED in 2008-09 to reflect a slight difference in fringe benefit rates budgeted for staff in DHFS, compared with the estimated rates that would apply to DCF staff.

Chg. to JFC	
FED	\$3,600

7. COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT ALLOCATIONS (PAGE 215)

Senate: No change to Joint Finance.

Assembly: Delete the provision that would require DHFS to annually allocate any funding the state receives that exceeds \$6,711,200 FED from the federal community mental health services block grant to community aids, the integrated services program, the consumer and family self-help and peer-supported programs, and protection and advocacy services.

Health and Family Services -- Children and Families

5. DOMESTIC ABUSE GRANTS (PAGE 218)

Senate: No change to Joint Finance.

Assembly: Reduce funding that would be provided for domestic abuse grants by \$706,600 in 2007-08 and by \$567,100 in 2008-09. However, retain the provision that would increase the domestic abuse surcharge from \$75 to \$100, effective for convictions that occur on or after January 1, 2008, in order to increase funding for grants from this source by \$43,400 PR in 2007-08 and \$182,900 PR in 2008-09. Consequently, funding for domestic abuse grants would increase by \$243,400 (\$200,000 GPR and \$43,400 PR) in 2007-08 and \$382,900 (\$200,000 GPR and \$182,900 PR) in 2008-09.

Chg. to JFC	
GPR	-\$1,273,700

6. POST-ADOPTION RESOURCE CENTERS AND ADOPTION EXCHANGE AND ADOPTION INFORMATION CENTER (PAGE 219)

Senate: No change to Joint Finance.

Assembly: Delete the provision that would provide \$199,500 (\$109,700 GPR and \$89,800 FED) in 2007-08 and \$212,100 (\$116,600 GPR and \$95,500 FED) in 2008-09 to increase funding for post-adoption resource centers and the adoption exchange and adoption information center.

	Chg. to JFC
GPR	- \$226,300
FED	- 185,300
Total	- \$411,600

Agriculture, Trade and Consumer Protection

5. AGRICULTURAL CHEMICAL CLEANUP PROGRAM FUND FEE REDUCTIONS (PAGE 247)

Senate: No change to Joint Finance.

Assembly: Rather than the Joint Finance 30% reduction, reduce fees and surcharges deposited to the ACCP fund as follows (generally consistent with a 35% fee reduction): (a) reduce the fertilizer license surcharge from \$20 (the current statutory maximum) to \$13 effective with fertilizer sold July 1, 2007 (for the license year that begins August 15, 2007); (b) reduce the fertilizer tonnage surcharge from 63¢ to 41¢ per ton effective with fertilizer sold on July 1, 2007; (c) reduce the pesticide application business surcharge from \$55 to \$36, the pesticide dealer - restricted use surcharge from \$40 to 26, and the pesticide individual applicator surcharge from \$20 to \$13 effective with the license year beginning January 1, 2008; and (d) reduce the pesticide registration nonhousehold surcharge from \$5 to \$3.25 for products with sales up to \$25,000, from \$170 to \$110 for products with sales of \$25,000 to \$74,999, and from 1.1% of gross revenues to 0.72% of gross revenues for products with sales of \$75,000 or greater, effective with the payment period beginning on October 1, 2007 (for the license year beginning on January 1, 2008). These fee reductions would be expected to reduce revenues deposited to the ACCP fund by \$840,000 in 2007-08 and \$1,165,000 in 2008-09 (a reduction to Joint Finance of \$75,000 in 2007-08 and \$119,500 in 2008-09).

	Chg. to JFC
SEG-REV	- \$194,500

7. COUNTY FAIR AIDS (PAGE 248)

Senate: Provide an additional \$50,000 GPR annually (for a total of \$400,000 GPR annually) for aids to county and district fairs.

	Chg. to JFC
GPR	\$100,000

In addition, modify the current county fair aid formula to provide each eligible fair up to 95% of the first \$8,000 in premiums actually paid (in all categories:

junior, adult and senior), and 70% of all premiums in excess of \$8,000, with a maximum grant of \$10,000 per fair.

Under current law, DATCP may provide fair aids of up to 50% of junior premiums awarded, not to exceed \$10,000 per fair. Base level funding is \$250,000 GPR, increased to \$350,000 GPR annually under Joint Finance. Over the past few years, total eligible reimbursement claims have averaged between \$310,000 and \$320,000. Payments are prorated if funds are insufficient to pay all eligible reimbursements. Eligible premium costs for fair aids include those paid for livestock articles, for production, educational exhibits, agricultural implements and tools, domestic manufactures, and mechanical implements and productions.

Assembly: No change to Joint Finance.

10. DISCOVERY FARMS (PAGE 249)

Senate: No change to Joint Finance.

Assembly: Instead of the Joint Finance provision providing \$150,000 agricultural chemical cleanup program (ACCP) fund SEG each year in one-time funding to the University of Wisconsin-Extension for a grant for research and outreach at the discovery farms, provide \$250,000 nonpoint account SEG annually for a grant to the University of Wisconsin-Extension for these purposes.

	Chg. to JFC
SEG	\$200,000

Discovery farms are a series of operating, commercial farms conducting on-farm research while cooperating with each other, a research farm at UW-Platteville, and researchers at UW-Madison, together forming the Wisconsin agricultural stewardship initiative.

11. OFFICE OF PRIVACY PROTECTION (PAGE 249)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision. This would delete \$102,300 GPR annually and 1.5 GPR positions and \$102,300 PR annually and 1.5 PR positions associated with the Office of Privacy Protection (OPP). In addition, delete \$102,300 PR provided to the Office of the Commissioner of Insurance to transfer to DATCP to partially support the OPP. The 3.0 current FED positions would remain.

	Change to JFC	
	Funding	Positions
GPR	-\$204,600	- 1.50
FED	0	3.00
PR	<u>- 409,200</u>	<u>- 1.50</u>
Total	-\$613,800	0.00

12. REVENUE AND POSITION ADJUSTMENTS (PAGE 250)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision. This would restore: (a) \$43,900 GPR annually and 0.5 GPR position to food safety; (b) the deletion of \$106,500 FED annually and 2.0 FED positions; and (c) \$120,800 PR annually and 2.0 PR positions.

	Change to JFC Funding Positions	
GPR	\$87,800	0.50
FED	- 213,000	- 2.00
PR	<u>213,000</u>	<u>2.00</u>
Total	\$87,800	0.50

Commerce

14. WHEDA SURPLUS TRANSFER FOR HOUSING PROGRAMS (PAGE 258)

Senate: No change to Joint Finance.

Assembly: Include the Governor's recommendation, but not the Joint Finance modification, related to the transfer of Wisconsin Housing and Economic Development Authority (WHEDA) unencumbered reserves to Commerce for housing programs. This would provide a transfer of \$2,000,000 each year from WHEDA reserves to be appropriated under Commerce on a one-time basis in the 2007-09 biennium for housing costs grants and loans. It would delete the Joint Finance additional transfer of \$1,000,000 each year from WHEDA reserves for Commerce shelter for homeless and transitional housing programs.

	Chg. to JFC
PR	-\$2,000,000

15. WHEDA SURPLUS TRANSFER FOR GRANT TO OSHKOSH (PAGE 258)

Senate: Increase the transfer from the Wisconsin Housing and Economic Development Authority (WHEDA) from its unencumbered reserves to Commerce for housing grants and loans by \$25,000 in 2007-08. Provide expenditure authority of \$25,000 PR in 2007-08, and specify that Commerce make a grant of \$25,000 to the City of Oshkosh for neighborhood improvement and stabilization. Commerce would enter into an agreement with the City of Oshkosh that specifies the uses for the grant proceeds and reporting and auditing requirements.

	Chg. to JFC
PR	\$25,000

Assembly: No change to Joint Finance.

16. TRANSFER FROM THE PETROLEUM INSPECTION FUND TO THE GENERAL FUND (PAGE 259)

Senate: Transfer \$14,576,500 in 2008-09 from the petroleum inspection fund to the general fund. The petroleum inspection fund primarily receives revenue from the 2¢ per gallon petroleum inspection

	Chg. to JFC
GPR-REV	\$14,576,500

fee that is assessed on all petroleum products that enter the state, including gasoline, diesel and heating oil. The first use of petroleum inspection fees is payment of debt service for revenue obligations that were issued to provide funds for the petroleum environmental cleanup fund award (PECFA) program. Remaining revenues are used for PECFA claims and several other programs.

Assembly: No change to Joint Finance.

17. DIESEL TRUCK IDLING REDUCTION GRANT PROGRAM (PAGE 259)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision that would have increased the funding for the diesel truck idling reduction grant program from \$1,000,000 petroleum inspection fund SEG annually to \$2,000,000 SEG annually. In addition, delete the Joint Finance changes to eligibility, which would have: (a) changed the percentage of eligible costs paid as a grant by the program to 50% (instead of the current 70%) and the percentage of eligible costs paid by the applicant to 50% (instead of the current 30%); (b) specified that the maximum number of idling reduction units for which an applicant may receive grants is a cumulative maximum for grants awarded beginning in 2007-08 and including all grants awarded through 2010-11; (c) specified that if the applicant owns and operates at least 501 but not more than 2,500 eligible truck tractors, the applicant could receive a grant for the greater of 30 (instead of 25 currently) units or 5% of the number of eligible truck tractors; and (d) specified that if the applicant owns and operates at least 2,501 eligible truck tractors, the applicant could receive a grant for the greater of 125 units, or 3% of the number of eligible truck tractors (instead of the current 3%), which would have increased the number of eligible units for applicants with 2,501 to 4,167 truck tractors to 125 units, the same number an applicant with 2,500 truck tractors is currently allowed.

	Chg. to JFC
SEG	-\$2,000,000

The diesel truck idling reduction grant program was created in 2005 Act 25 to provide grants to common, contract, and private motor carriers that transport freight and are headquartered in Wisconsin, for the purchase and installation of idling reduction units. An idling reduction unit is a device that is installed on a diesel truck tractor to reduce the long-duration idling of the truck by providing heat, air conditioning, or electricity to the truck while the truck is stationary and the main drive engine of the truck is not operating. Truck tractors are eligible for grants if they contain a post-1998 diesel truck engine that complies with federal air pollutant emission standards promulgated by the U.S. Environmental Protection Agency. Use of the idling reduction unit must result in a decrease in the emissions of one or more air contaminant, or in a decrease in the use of energy by the truck tractor on which the idling reduction unit is installed. The grant program is authorized \$1,000,000 SEG annually from the petroleum inspection fund, beginning in 2006-07. Commerce is authorized to make grants for five fiscal years beginning on July 1, 2006, and ending on June 30, 2011.

20. GRANT TO CREX MEADOWS YOUTH CONSERVATION CAMP (PAGE 261)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision that would have provided \$80,000 in 2007-08 from Safety and Buildings Division general program revenues as a grant for the Crex Meadows Youth Conservation Camp in Grantsburg (Burnett County).

	Chg. to JFC
PR	-\$80,000

24. REGULATION OF ELEVATORS (PAGE 263)

Senate: No change to Joint Finance.

Assembly: Include Joint Finance provisions related to regulation of elevator mechanics. Further, include the provisions of Assembly Substitute Amendment 1 to 2007 Assembly Bill 358, which would modify provisions of 2005 Wisconsin Act 456, related to regulation of elevators as follows:

a. Exclude an elevator dumbwaiter, stairway chair lift, platform lift, conveyance, or other residential lift in a private residence from the provisions of 2005 Act 456. Act 456 would require that these types of conveyances in private residences be subject to safety code, and licensing and permitting requirements. Act 456 would also require that the owner of a conveyance in a private residence provide Commerce with an inspection report from a licensed elevator inspector demonstrating compliance with the conveyance statute and rules.

b. Delay, from June 1, 2007, to June 1, 2008, the date on which the licensing and permitting requirements of 2005 Act 456 go into effect. Act 456 requires that elevator contractors and mechanics be licensed by Commerce, and that elevators, escalators, and similar conveyances be issued a permit by Commerce before installation, alteration, or operation.

c. Authorize, rather than require, Commerce to promulgate emergency rules to implement Act 456, and delete the deadline for Commerce to promulgate the emergency rules. Act 456 required Commerce to promulgate emergency rules by February 1, 2007. Commerce promulgated emergency rules effective June 1, 2007, and is in the process of promulgating permanent rules.

d. The owner or lessee of any conveyance in operation on June 1, 2008, would have to obtain the required operation permit no later than January 1, 2009. Under 2005 Act 456, the owner or lessee of any conveyance in operation on June 1, 2007, would have to obtain the required operation permit no later than January 1, 2008.

Department of Natural Resources -- Departmentwide

2. RENTAL COSTS (PAGE 264)

Senate: No change to Joint Finance.

Assembly: Reduce the amount provided by \$96,600 FED and \$314,700 SEG annually for DNR facility rental costs across the state. (The Assembly provision would maintain chargebacks to DNR programs for rental costs at approximately \$1.5 million annually (the 2006-07 level), rather than approximately \$1.1 million under the Joint Finance provision.)

	Chg. to JFC
SEG	- \$629,400
FED	- 193,200
Total	- \$822,600

3. ENVIRONMENTAL ANALYSIS OF ROAD PROJECTS (PAGE 264)

Senate: No change to Joint Finance.

Assembly: Delete provision. Joint Finance would provide \$150,600 PR in 2007-08 and \$200,800 PR in 2008-09 with 3.0 regional environmental analysis and review specialist positions primarily to expedite the environmental analysis of local governmental transportation projects. Under Joint Finance, the staff would be supported by a payment from the local road improvements program appropriation in DOT.

	Change to JFC Funding Positions	
PR	- \$351,400	- 3.00

4. GRANT TO FLORENCE WILD RIVERS INTERPRETIVE CENTER (PAGE 265)

Senate: Provide an additional \$2,000 GPR in 2007-08 and \$27,000 GPR annually beginning in 2008-09 to the Florence Wild Rivers Interpretive Center for forestry education, tourism, and operational costs.

	Chg. to JFC
GPR	\$29,000

Joint Finance would provide one-time funding of \$25,000 GPR in 2007-08 to the Wild Rivers Interpretive Center. This provision would bring the total to \$27,000 GPR annually.

Assembly: Adopt the Joint Finance provision, but provide \$25,000 in 2007-08 from the forestry account of the conservation fund, rather than from GPR.

	Chg. to JFC
GPR	- \$25,000
SEG	25,000
Total	\$0

Department of Natural Resources -- Stewardship

7. STEWARDSHIP EARMARKS (PAGE 270)

Senate: No change to Joint Finance.

Assembly: Include Joint Finance provision earmarking four projects. Further, direct DNR to expend up to \$600,000 under the Warren Knowles-Gaylord Nelson Stewardship 2000 program to the City of Antigo for property development activities related to the Ice Age and Springbrook trails. Require the Department to provide \$1 for each \$1 expended by the city of Antigo. Authorize DNR to expend bonding authority from either the land acquisition subprogram or the property development and local assistance subprogram.

9. LAND MANAGEMENT (PAGE 270)

Senate: No change to Joint Finance.

Assembly: Adopt the Joint Finance provision, except specify that the \$200,000 in 2008-09 for operation and maintenance expenses on properties managed by the Bureau of Facilities and Lands be one-time funding.

Department of Natural Resources -- Fish, Wildlife, and Recreation

4. WARDEN RADIOS (PAGE 272)

Senate: No change to Joint Finance.

Assembly: Adopt the Joint Finance provision, except delete an additional \$21,800 each year to provide 205 of each radio (mobile radio and portable). Joint Finance would provide 215 of each radio.

	Chg. to JFC
SEG	-\$43,600

9. GULL STUDY (PAGE 273)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision which would direct DNR to submit a report, by January 1, 2008, to the Joint Committee on Finance, and the legislative standing committees responsible for natural resources issues, recommending ways to substantially reduce the seagull population in Wisconsin.

10. HUNTER MENTORSHIP PROGRAM (PAGE 273)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision which would create a hunting mentorship program and authorize a person who is 12 years of age, or such lower age as DNR specifies by rule, to hunt without obtaining a certificate of accomplishment and to possess or control a firearm while hunting if the person has a valid hunting license and is hunting with a qualified mentor. It would require that the mentor be at least 18 years old, be within arm's reach of the person for whom he or she is serving as a mentor, and have a current valid hunting license. Also, a mentor would only be allowed to take one person, for whom he or she is serving as a mentor, hunting at a time.

11. WEAPONS CASING IN VEHICLES (PAGE 273)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision which would specify that no person may place, possess, or transport a firearm or crossbow in or on a vehicle that is moving or has a running motor unless it is unloaded, and also encased or beyond the arm's reach of the operator and the occupants of the vehicle. A bow would be required to be either unstrung or encased, or to be beyond the reach of occupants while being transported.

Department of Natural Resources -- Forestry and Parks

1. OUTDOOR RECREATIONAL ACTIVITIES LAND ACQUISITION GRANT PROGRAM (PAGE 278)

Senate: No change to Joint Finance.

Assembly: Delete the Joint Finance provision. Rather, effective July 1, 2008, allow the municipality to retain closed acreage payments under the Managed Forest Land (MFL) program, but to remit 20% of the revenue from these payments to the county treasurer. An estimated \$3.7 million would be retained by local governments in 2008-09. Under current law, the revenue from these payments is deposited in the forestry account of the conservation fund.

	Chg. to JFC
SEG	- \$1,000,000
SEG-REV	- \$3,700,000

Joint Finance would provide \$1,000,000 in 2008-09 for an outdoor recreational activities land acquisition grant program.

2. PARKS AND SOUTHERN FOREST OPERATIONS (PAGE 279)

Senate: No change to Joint Finance.

Assembly: Delete provision. Joint Finance would provide \$135,300 in 2007-08 and \$349,200 with 3.0 positions in 2008-09 for permanent staff, limited term employees, utilities, and supplies to operate new buildings and campgrounds in the Wisconsin state park and forest systems.

Change to JFC Funding Positions		
SEG	-\$484,500	- 3.00

Department of Natural Resources -- Water Quality

1. AQUATIC INVASIVE SPECIES GRANTS (PAGE 279)

Senate: Include the Joint Finance provision. Further, 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.

Chg. to JFC	
SEG	\$100,000

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 Joint Finance.

Assembly: Adopt the Joint Finance provision. In addition, transfer \$1.5 million in 2007-08 and \$2.5 million in 2008-09 of water resources SEG from recreational boating project aids to aquatic invasive species grants. (This would make \$3.3 million in 2007-08 and \$4.3 million annually beginning in 2008-09 available for cost sharing grants for the control of aquatic invasive species). Further, provide \$1.5 million in 2007-08 and \$2.5 million annually beginning

in 2008-09 from the Warren Knowles-Gaylord Nelson Stewardship program bonding revenue for recreational boating project aids (to maintain funding at \$3.1 million annually). (Also see Stewardship Reauthorization.)

4. RURAL NONPOINT BONDING (PAGE 281)

Senate: Provide an increase in general obligation bonding authority of \$1.5 million for targeted runoff management (TRM) grants. This would provide a total of \$7 million for TRM grants (the same amount as recommended by the Governor). The TRM program offers competitive grant awards to support small-scale, short-term nonpoint source water pollution abatement projects (generally one to three years) that are undertaken by local government units.

	Chg. to JFC
BR	\$1,500,000

Assembly: No change to Joint Finance.

5. URBAN NONPOINT BONDING (PAGE 281)

Senate: Provide an additional \$1.3 million in general obligation bonding for urban nonpoint source water pollution abatement and storm water management, and the municipal flood control and riparian restoration programs. This would provide a total of \$6 million BR for urban nonpoint programs (the same level as recommended by the Governor). Bonding revenue would be used to provide cost-share grants for the installation of nonpoint source water pollution abatement projects and provide financial assistance to municipalities and sewerage districts for the construction of facilities and structures that aid in the collection and transmission of storm water.

	Chg. to JFC
BR	\$1,300,000

Assembly: No change to Joint Finance.

6. CHIPPEWA FALLS MUNICIPAL FLOOD CONTROL GRANT (PAGE 281)

Senate: Direct DNR to provide the City of Chippewa Falls with a grant of up to \$200,000 from the municipal flood control grant program, but not to exceed 70% of the cost to purchase land along Highway 29. Exempt the city from the eligibility requirements of the program and the typical application scoring process. The earmarked funding would be for the purchase of land near Bridge and River Streets that is part of a plan to reinvigorate the Highway 29 gateway to the city's downtown.

Assembly: No change to Joint Finance.

Department of Natural Resources -- Air, Waste, and Contaminated Land

4. RECYCLING DEMONSTRATION GRANTS (PAGE 283)

Senate: No change to Joint Finance.

Assembly: Delete the increase of \$1,000,000 SEG annually from the segregated recycling fund for the waste reduction and recycling demonstration grant program for contracts with nonprofit organizations to assist businesses to reduce the amount of solid waste generated or to reuse or recycle solid waste. Further, delete the Joint Finance modifications to contracts with nonprofit organizations, which would have: (a) prohibited DNR from providing more than \$250,000 annually to an individual organization; and (b) required that any contract entered into under the provision must include goals and objectives that the nonprofit organization will meet, methods that will measure progress towards the goals and objectives, and a schedule for reporting to DNR on the use of funds and progress towards the goals and objectives.

	Chg. to JFC
SEG	-\$2,000,000

State Fair Park

1. STATE FAIR PARK BONDING (PAGE 288)

Senate: No change to Joint Finance.

Assembly: Delete Joint Finance provision. This would restore \$4.3 million in existing, authorized, but unissued program revenue-supported bonding authority for the State Fair Park.

	Chg. to JFC
BR	\$4,300,000

Tourism

1. KICKAPOO VALLEY RESERVE -- AIDS IN LIEU OF TAXES PAYMENTS (PAGE 288)

Senate: No change to Joint Finance.

Assembly: Provide \$36,600 in 2007-08 and \$39,800 in 2008-09 from the forestry account of the conservation fund and specify that annual payments for aids in lieu of property taxes made related to the Kickapoo Valley Reserve include the value of improvements related to the Visitor Center in the town of Stark.

	Chg. to JFC
SEG	\$76,400

Public Service Commission

3. LIMITATION ON UNIVERSAL SERVICE FUND CONTRIBUTIONS (PAGE 291)

Senate: No change to Joint Finance.

Assembly: Limit universal service fund contributions by telecommunications providers to \$32,038,400 annually. The Joint Committee on Finance approved the Governor's recommendation to repeal the \$6 million annual limitation on the total amount of contributions to the universal service fund that the Public Service Commission may require from telecommunications providers to fund the Commission's related appropriation. In addition to the eight PSC programs funded from the Commission's appropriation, the universal service fund provides funding for five other programs. Proposed funding for the 13 programs totals \$31,341,600 in 2007-08 and \$32,038,400 in 2008-09. This provision would cap contributions at an amount sufficient to fund all USF appropriations at their proposed funding levels. However, any future increases in appropriations would have to be accompanied by offsetting decreases in other appropriations or an increase in the contribution limitation.

Office of the Commissioner of Railroads

1. ELIMINATE SAFETY ANALYST POSITION IN THE OFFICE OF THE COMMISSIONER OF RAILROADS (PAGE 294)

Senate: No change to Joint Finance.

Assembly: Delete \$49,500 and 1.0 position annually to reflect the elimination of a vacant railroad safety analyst position in the Office of the Commissioner of Railroads. The position has been vacant since September 30, 2002. With the elimination of this position, the Office would have two remaining railroad safety analyst positions. This restores a provision included in SB 40 that was deleted in the Joint Finance substitute amendment.

	Change to JFC Funding Positions	
PR	-\$99,000	- 1.00

Shared Revenue and Tax Relief

12. DELETE PROPERTY TAX EXEMPTION FOR LOW-INCOME HOUSING (PAGE 302)

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

Transportation

61. DONALD J. SCHNEIDER HIGHWAY (PAGE 326)

Senate: No change to Joint Finance.

Assembly: Delete a provision of the Joint Finance substitute amendment that would designate a segment of USH 8 in Barron County as the "Donald J. Schneider Highway."

68. MOTORCYCLE SAFETY GRANT (PAGE 331)

Senate: No change to Joint Finance.

Assembly: Modify a provision in the Joint Finance substitute amendment that would require DOT to award a grant of \$75,000 annually during the 2007-09 biennium to a motorcycling organization for a "rider-to-rider" campaign to reduce impaired motorcycle riding by educating motorcyclists about the dangers of impaired riding, to eliminate the requirement that the grant be provided using state funds if federal funds are not provided for the grant. Transfer \$75,000 SEG annually from the Joint Committee on Finance supplemental appropriation to the Department's appropriation for the State Patrol to reverse the part of the provision related to providing the grant with state funds.