

UNDER THE DOME

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State Lawmakers Considering Run for U.S. Senate

The 2018 contest for Wisconsin's U.S. Senate seat is starting to gain attention despite the 2016 elections having been decided only three months ago. Incumbent Democrat Tammy Baldwin is viewed as vulnerable by many, due in part to Trump's surprise win in the state, along with the dynamic of midterm election years being historically more favorable for Republicans as Democratic turnout is typically diminished in non-presidential years. Among state lawmakers, Sen. Leah Vukmir, Rep. Dale Kooyenga, and Senate Majority Leader Scott Fitzgerald are considering runs. Fitzgerald told reporters he is interested and weighing his options, but is waiting for U.S. Rep. Sean Duffy to decide whether he would run. Duffy, Fitzgerald said, appears to be in the best position to defeat Baldwin. Fitzgerald believes a contentious GOP primary like the one his brother, former Speaker Jeff Fitzgerald, lost in 2012, would damage their chances of taking the seat. It was also reported that U.S. Rep. Ron Kind is among 36 Democratic incumbents that Republicans are targeting in 2018. Kind has easily won re-election in recent cycles, however, he represents a rural, blue-collar district in western Wisconsin where President Trump performed strongly in 2016.

State Self-Insurance Proposal Advances, Legislative Approval Still Needed

The state Group Insurance Board (GIB) advanced a plan to drastically change the way Wisconsin pays for the health insurance of nearly 210,000 state workers, retirees, and dependents. The \$1.5 billion state health insurance program would be self-insured under the proposal they approved, meaning the state would take on the risk and pay for medical benefits directly through a third-party administrator. Currently, the program is fully-insured and premiums are paid to 16 different health insurance companies in the state. Merely hours after the GIB voted, Governor Walker highlighted the move in his state budget address, following through on his promise to dedicate the savings from self-funding, estimated by his administration to be \$60 million over the biennium, to public education. The move, and projected savings, were met with skepticism from a bipartisan contingent of lawmakers, including the co-chairs of the budget committee, who have previously argued it poses risks to state taxpayers, and could hinder the state's currently competitive and strong health insurance market. That has been echoed by a coalition of health systems, insurers, physician groups, local governments, and cooperatives. The self-funding issue is one of many that political observers expect the governor and legislature to spar over in coming months. The legislature's Joint Finance Committee must approve the self-funding contracts the GIB enters into before they can be executed.

Walker Unveils Budget Proposal

Governor Walker introduced his two year \$76.1 billion spending plan in an address before a joint meeting of the legislature on Wednesday, February 8th. Fueling speculation that Walker is set on running for a third term as governor, his budget includes significant increases for programs and constituencies not typically aligned with Republicans. Under Walker's plan, K-12 schools would receive a \$648 million increase, the UW System \$140 million, while local governments would see over \$100 million for health and human services, and a transportation funding boost. In addition to the new spending, Walker is also calling for \$593 million in tax and fee cuts, including elimination of the state forestry property tax, over \$200 million in income tax reductions, and a sales tax holiday. Walker also rolled into his budget popular reforms supported by conservatives. These include full repeal of the state's prevailing wage law, restrictions on project labor agreements, and a proposal to require additional oversight over costly federal rules dubbed the REINS Act. Other provisions highlighted by the governor include an expansion of the state's broadband grant program, increased funding for job training, and sweeping welfare reforms. On transportation, the governor followed through on his promise to not raise taxes or fees, putting forth a plan that borrows half a billion dollars while significantly reducing funding for major road projects.

Lawmakers Response to Walker Budget Mixed

Governor Walker's budget now heads to the legislature, where the spending plan received mixed reviews from Republicans and Democrats alike. Although Republican leaders appear to be in agreement with the governor on his major priorities, significant changes are likely on the horizon. Majority Leader Scott Fitzgerald said there is general agreement that an increase in K-12 and UW System funding is needed, however, the legislature will likely reduce the total amount Walker has proposed. A number of GOP lawmakers have also called into question Walker's proposed UW tuition cut, a move towards self-insurance for state employees, and his transportation proposal which will result in more borrowing and project delays. Democrats continued to ramp up their criticism on transportation, calling on Walker to show leadership in addressing the funds \$1 billion shortfall. On that issue there is bipartisan backlash, with GOP leaders in the Assembly going as far as to say they might delay passage of the budget until transportation funding is addressed. Democrats also called out the governor for putting forth a budget they say is based primarily on his political aspirations, while arguing proposed funding increases don't make-up for previous decisions to cut programs for the needy, along with schools and the UW System.

Senate Approves Restrictions on Project Labor Agreements

The state Senate voted along party lines to approve legislation that would prohibit a requirement by local governments that project labor agreements be in place in order to bid on public works projects. The measure, also included in Governor Walker's budget, has drawn opposition from labor groups and Democrats who view it as yet another attack by the GOP on organized labor in the state. PLA reforms are supported by Walker, GOP lawmakers, and groups representing non-union contractors, who argue they are needed to protect taxpayers by ensuring more competitive bidding takes place on public projects. In other action, the Senate approved a measure that would ease access to CBD oil, a drug derived from marijuana, that advocates say can be used to treat seizures in children. A number of appointments to state Boards and Commission were also approved, along with the confirmation of state Department of Health Services Secretary Linda Seemeyer, on a 31-1 vote.

Legislation Banning Fetal Tissue Research Resurfaces

Republican lawmakers have renewed efforts to ban the sale and use of aborted fetal tissue for research, however, they appear to be in disagreement over the severity of the prohibition. Three lawmakers circulated a bill that would close a loophole in state law that prohibits the attorney general from prosecuting the sale of fetal body parts, while also banning the acquisition of fetal body parts for research from a for-profit entity, abortion clinic or entity that exists primarily to obtain fetal tissue to sell. Considered to be a more moderate approach to an outright ban, pro-life groups spoke out against the proposal, along with a contingent of GOP lawmakers, who've promised to introduce a bill that would prohibit research on virtually all fetal tissue. Similar legislation failed to pass last session, and is expected to again face stiff opposition from groups who say it would compromise promising research on life-saving cures and treatments, and would hurt the state's emerging medical research industry. Assembly Speaker Robin Vos and Senate Majority Leader Scott Fitzgerald have said they are hopeful a compromise can be reached.

Lawmakers Seek Earlier School Start Date

The debate over school start dates is back as legislation was proposed to eliminate a state law restricting schools from starting prior to September 1st. State Sen. Alberta Darling and state Rep. Jim Ott, authors of the bill, argue the bill gives school districts needed flexibility, and does not require them to change start dates. Opponents, primarily those in the tourism industry, say it will hurt Wisconsin businesses who rely on travelers in late August. According to the Dep. of Tourism, travelers spend more in August than in June, while the month of July is the busiest. Workforce issues have also been raised, as tourism officials are concerned about employers losing high school student labor. Similar legislation has been introduced in the past and failed to advance.