

UNDER THE DOME

March 13, 2017 | Volume 13, Issue 9

A Periodic Publication from the Municipal Electric Utilities of Wisconsin and our government affairs team at The Kammer Group.

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Budget Briefings, Public Hearings to Begin Late March

The Joint Finance Committee will ramp up its review of the 2017-19 Biennial Budget in coming months, recently announcing plans to start agency briefings the last week of March, followed by six public hearings in April. The tentative schedule for state agencies to come before the committee to discuss the governor's budget proposals includes meetings March 27th, 28th, 29th, and 30th. The committee will then travel the state to take input from the public at hearings held on the following dates: Monday, April 3rd in Platteville; Wednesday, April 5th in Milwaukee; Friday, April 7th in Marinette; Tuesday, April 18th in Spooner; Wednesday, April 19th in Ellsworth; while Friday, April 21st is yet to be determined. In 2015, the committee did four public hearings around the state. The JFC Co-Chairs have indicated they hope to begin budget executive sessions on May 2nd.

Former Senator Cullen on Track for Gov Bid, Congressman Kind to Run for Congress in 2018

Former state Senator Tim Cullen said that he is on track for officially launching a run for governor by the end of next month. Cullen, a Democrat from the Janesville area, served in the state Senate from 1975 to 1987 and 2011 to 2015, including a stint as Leader. He also served as Secretary of the Department of Health Services in the Tommy Thompson administration and as a health insurance executive after that. Cullen has been traveling the state frequently since leaving office, and authored a book on his tenure in public office, arguing for the need for more collaboration and bipartisanship in state politics. Meanwhile, Democratic U.S. Rep. Ron Kind announced he has again decided to pass on a bid for governor, and will instead run for another term in Congress representing the western Wisconsin district. Kind has long been considered a top-tier candidate for governor, however, has passed on many opportunities to run. He told reporters this week he is focused on holding Republicans in the majority accountable and ensuring they won't enact policies harmful to Wisconsinites. Republican Gov. Scott Walker has indicated that he plans to seek a third term next year but won't make an official announcement until the state budget is signed into law, presumably sometime this summer.

Upcoming Session Days

The next floor period available for session days is March 28th - April 6th.

Assembly Approves Amendment to Eliminate Treasurer, Limits on Project Labor Agreements

The state Assembly voted along party-lines to approve legislation prohibiting local governments from requiring project labor agreements on public projects. Democrats and labor groups have been strong in their opposition to the measure, arguing it would hurt middle class workers by driving down wages and would reduce the quality of public projects. Republicans argued the bill does not prohibit union agreements on projects, instead it protects taxpayers by allowing for a more competitive bidding process. The Assembly also signed off on a constitutional amendment that would eliminate the state Treasurer's office, if approved by voters through a statewide referendum; bills that would increase access to cannabidiol (CBD) oil, used to treat children suffering from seizures; and "Right-to-Try" legislation allowing terminally ill patients access to treatments that have not yet received full FDA approval. The Senate met to sign-off on the state Treasurer amendment, while also approving legislation that requires juvenile corrections officers to report child abuse they witness to state or local law enforcement. This comes in response to allegations of abuse at the state's juvenile corrections facilities.

Governor Issues Executive Order Calling for Increased Transparency

Governor Walker issued Executive Order 235 which directs state agencies to take a number of steps aimed at increasing transparency in state government. Under the order, agencies are required to make commonly requested records available to the public without having to go through the formal open records request process. It also calls on the Department of Administration to develop a central resource for state public notices and meeting minutes, and to standardize practices for fees charged for public records requests. Walker said this is a continuation of efforts to increase public access to records, and builds upon an executive order issued last year aimed at expediting the records request process and to enhance records training to state employees.

Lawmakers Seek Inspector General at the Department of Transportation

Republican state Sen. Dave Craig circulated legislation that would create an Inspector General post at the Department of Transportation to provide more oversight over the agency. The proposal is in response to issues at the DOT brought to light recently in a Legislative Audit Bureau review. That audit has led Craig and other lawmakers to question the DOT's handling of projects, including their cost estimates and bidding processes. Under the bill, the DOT inspector general would be appointed to a six-year term by the state auditor, and serve at the direction of the audit bureau and the Legislature. In a release, Craig said the audit made clear more oversight is needed and that the inspector general will help ensure legislators play a more active role in rooting out waste, fraud, abuse and inefficiency at the DOT. Craig has also been outspoken in his opposition to a transportation revenue increase, which a number of lawmakers on both sides of the aisle have been pushing for to fill an approximately \$1 billion transportation fund shortfall.

Vos, Fitzgerald Open to Using Additional General Fund Dollars for Transportation

Republican leaders have said they are open to transferring general fund tax dollars, which come primarily from the state's income and sales tax, to the state's transportation fund in order to ensure a number of projects stay on schedule. Assembly Speaker Robin Vos said reliance on the general fund is not a long-term solution, however, it may be needed in the short-term as lawmakers seek to bridge the divide over how to fund transportation in the state's next budget. Vos' comments were similar to those of Senate Majority Leader Scott Fitzgerald who told reporters lawmakers may need to rely on other fund sources in order to get a transportation package through his house. Governor Walker's budget proposal would transfer \$325 million in general fund revenue to the transportation fund, which is filled by vehicle registration fees and the state's gas tax, a declining revenue source in recent years that has exasperated the state's transportation funding challenges. Walker, along with a number of GOP lawmakers, oppose increasing taxes or fees, and instead prefer delaying projects and implementing other cost-saving measures.

Proposed 2017-19 State Budget Increases Spending 8.3%

The Wisconsin Taxpayers Alliance released an analysis showing Governor Walker's budget proposal increases government spending by 8.3% over the biennium. \$76.1 billion in total would be allocated, with about half of that coming from state general purpose revenues, mainly state income and sales taxes. The budget spends \$371 million of the state's current \$453 million surplus, with the rest of the increase coming from new money that is projected to come from economic growth over the biennium, which is estimated at 3.4% annually. Major spending initiatives in the budget include \$649 million for public schools, \$120 million for the UW System, \$200 million income tax cuts, and \$180 million in property tax relief. The analysis also noted the state would have a structural deficit of \$155.2 million in 2018 and \$216.1 million in 2019 under the governor's plan, while the state's emergency "Rainy Day" fund would climb above \$300 million.

Jodi Jensen Appointed to Elections Commission

Governor Walker appointed attorney and former GOP aide Jodi Jensen to serve on the Wisconsin Elections Commission. Jensen will replace commissioner Don Millis, who submitted his resignation on Friday, saying he could no longer serve due to commitments with his law practice. Millis is the first of the commission's six members to resign since the panel was created in June 2016. Senate Majority Leader Fitzgerald submitted Jensen to the governor as his pick to replace Millis. Jensen worked previously as a lobbyist, in the legislature as Chief of Staff to the Assembly Speaker, and was a member of the Walker administration before leaving to be a private practice attorney in 2011. The Elections Commission is charged with overseeing the state's election laws, and was one of two panels to replace the Government Accountability Board last year.