

# UNDER THE DOME

April 24, 2017 | Volume 13, Issue 15

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

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## Budget Hearings Conclude, JFC Deliberations to Start Early Next Month

The Joint Finance Committee wrapped up hearings on the 2017-19 budget, taking testimony from the public in Spooner, Ellsworth and Marinette. As with previous hearings, some of the major items the public weighed in on included funding for K-12 education, transportation, the UW System, medical assistance, treatment and diversion programs, conservation aids, broadband, and mental health programs. The governor's proposal to eliminate the DNR magazine, juvenile corrections reforms, and various K-12 reforms including elimination of the state's September 1st start date, required hours of instruction, and Act 10 compliance requirements were also discussed. Members of the committee have indicated they could start voting on the budget as early as Monday, May 1st, however, nothing has yet been officially scheduled.

## Finance Committee to Meet on Homelessness, Broadband Legislation

The Joint Finance Committee (JFC) will meet to take-up two bills aimed at addressing homelessness in the state, including one that calls for the creation of an inter-agency council and another that creates grants for local governments to set-up programs for jobs and workforce training. Another bill related to homelessness was approved by an Assembly committee as well. That measure would start a pilot program prioritizing chronically homeless people on housing voucher wait lists. The JFC will also vote on the Assembly version of a broadband expansion bill when it meets. The committee previously approved the Senate version, however, it was later amended on the floor to include a privacy provision. Assembly lawmakers involved with the bill have indicated their house intends to pass it without the amendment before sending it back to the Senate for consideration. Other bills the JFC will vote on include a measure that would create an income tax credit to assist with foster care of individuals ages 18 to 21, and a bill that allows for individuals receiving child care assistance through the Wisconsin Shares program to continue receiving a partial subsidy when the family's gross income increases to a certain threshold. Finally, the committee will take-up a Department of Natural Resources stewardship request to acquire 990 acres of land in Dunn County at a cost of \$2.1 million. That proposal came to the committee through the passive review process and was objected to by a number of JFC members.

## Walker Opens the Door to Transportation Revenue Increase

Governor Scott Walker told reporters that he remains opposed to raising the state's gas tax but would consider raising fees to boost transportation revenue. GOP lawmakers have been at odds with Walker over his budget proposal and the question of how to address the state's nearly \$1 billion transportation fund deficit. The Co-chairs of the Joint Finance Committee recently announced their intent to start from scratch on Walker's transportation budget when the JFC meets, and lawmakers have been looking to negotiate with the governor to boost revenues. Walker said that he has talked at length with Assembly Speaker Robin Vos and Senate Majority Leader Scott Fitzgerald about new money for roads and feels confident they are working towards a solution. While the governor reiterated he does not view a gas tax increase as a reasonable approach, he appears to be softening his stance by saying there could be other ways to fund transportation, possibly through a vehicle registration increase. Speaker Vos has remained consistent in his position that all options be on the table for shoring up the deficit and has tasked Rep. Dale Kooyenga, vice-chair of the Joint Finance Committee, with coming up with an alternative transportation funding proposal.

## **Committee to Consider Prevailing Wage Repeal**

The Senate Labor Committee will hold a hearing on legislation that would fully repeal the state's prevailing wage law. The Joint Finance Committee recently announced their plan to remove the same provision from Governor Walker's budget proposal, which prompted Republican Senator Leah Vukmir and Representative Rob Hutton to introduce it as standalone legislation. Last session, the legislature adopted a budget provision eliminating prevailing wage requirements for all local public works projects. The most recent bill would include state projects as well. Proponents of the measure argue it would remove government barriers, lead to more competition, and ultimately lower costs for taxpayers. Opponents, including labor groups, argue prevailing wage repeal would lead to lower wages for middle-class workers and reduce the quality of construction. The GOP-controlled legislature is expected to pass the bill into law as standalone legislation, or reinsert the measure into the budget at a later date.

## **Upcoming Session Days**

The Senate and Assembly are both expected to have floor session on Tuesday, May 2nd and possibly Tuesday, May 9th.

## **Senate Leaders Spar Over Recent Hiring of Former Colleague**

Senate Majority Leader Scott Fitzgerald in an interview criticized Stevens Point based Sentry Insurance for the recent hiring of former Democratic lawmaker Julie Lassa to a government affairs position within the company. Fitzgerald said the decision was one of the worst he had seen made in his over 20 years in the legislature and an insult to him and Lassa's replacement, freshman GOP Senator Pat Testin. That prompted a rebuke from Senate Minority Leader Jennifer Shilling who said his comments were disturbing and vindictive, while praising Lassa as a natural fit for the job and a great hire. Shilling served with Lassa in the Senate prior to her being ousted by Testin last November. Testin also weighed-in, releasing a statement praising Sentry's former Government Affairs Director Theresa Elliot, while avoiding comment on the Shilling and Fitzgerald exchange. Testin went on to say his door is always open to those he represents. Sentry is one of the region's largest employers and is in the Senate district Testin represents.

## **Shilling Appoints Milwaukee Attorney to Ethics Commission**

Senate Minority Leader Jennifer Shilling announced the appointment of Milwaukee Attorney Jeralyn Wendelberger to the Wisconsin Ethics Commission. A spot on the Commission opened recently due to the resignation of former Attorney General Peg Lautenschlager. According to a release from Shilling's office, Wendelberger's background includes practice in business and employment law, campaign finance and elections, and civil rights. She also worked previously for Planned Parenthood of Wisconsin. Lautenschlager stepped down earlier this month, saying she did not anticipate certain factors that have arose since her appointment which no longer allow her to serve. Less than a week later, her son, Josh Kaul, announced he intends to run as a Democrat for Attorney General in 2018. Current GOP Attorney General Brad Schimel has indicated he plans to run for re-election.

## **Walker Tours State Highlighting Education Proposal**

Governor Walker made a series of stops throughout the state to tout his proposed K-12 education budget. Walker has said the proposed \$649 million in new state aids for schools would boost the total state's commitment to K-12 to an all-time high level, something that is a top priority for his administration as budget negotiations continue with the legislature. The proposal will now need approval from the legislature's Joint Finance Committee, who is expected to start meeting next month. Walker was in Blanchardville and Abbotsford to tour their schools, meet with the students, and answer their questions. Walker also highlighted his proposal to eliminate the long-term supports waiting list for children with disabilities during the stops.

## **Lawmakers Introduce Scaled Back Minimum Mark-up Repeal**

GOP Sens. Leah Vukmir and Dave Craig, along with Reps. Jim Ott and Dave Murphy, introduced a bill to repeal portions of Wisconsin's minimum mark-up law, known as the Unfair Sales Act. Previous efforts by lawmakers to repeal the law in its entirety have been unsuccessful. Under the most recent bill, the authors are taking a more targeted approach by removing minimum mark-up requirements on merchandise and prescription drugs only. Proponents of repeal argue the Act mandates higher prices for consumers by prohibiting the sale of goods at below costs. On the other hand, supporters of current law, say repealing the Act will result in increased costs by giving large retailers a competitive advantage that will run smaller competitors out of business. The bill does not change the Unfair Sales Act as it pertains to alcohol, tobacco, or gasoline.