

UNDER THE DOME

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Lawmaker Seeking Regulatory Changes for Wireless Technology

Legislation limiting the ability of local governments to regulate the attachment of wireless technology to their infrastructure, including utility poles, was introduced. Supporters of the measure, including state Rep. Mike Kuglitsch, the bill author, argue it will allow for additional deployment of 5G small cell infrastructure to expand access to wireless internet and data services. Small cell equipment is typically added to utility poles, traffic signals, and buildings. Under the bill, standards and fees municipalities can charge wireless service providers are set by the state. The bill caps fees at \$100 annually per pole, while putting in place timelines for processing applications and limits on municipal zoning and other restrictions. In addition to requiring municipalities to allow attachments to support structures, restrictions are placed on the ability to limit public right-of-way access. The bill also imposes setback requirements for cell towers in residential areas based on the height of the structures. A hearing on the bill is scheduled in the Assembly Committee on Jobs and the Economy.

Natural Resources, Tourism, Corrections Budgets to be Considered

The Joint Finance Committee is scheduled to convene one day this week, Wednesday, as they continue voting on the budget. Items on the agenda include the Department of Natural Resources and Tourism budgets, Board of Commissioners of Public Lands, funding for District Attorneys, the Supreme Court, and state Investment Board, along with portions of the Corrections, Administration, and Workforce Development budgets. Under DNR, the committee will review the governor's controversial proposals to eliminate the state forestry tax and eliminate publication of a natural resources magazine by the department. A pay progression plan for DA's and the proposed elimination of the Parole Commission are also expected to be voted on. Budget negotiations are ongoing as lawmakers remain in disagreement over funding for significant state programs and agencies, including K-12 education, property taxes, and transportation.

Upcoming Session Days

The next period available for session days is June 6th - June 30th.

Governor Threatens Veto as Legislature Debates Property Tax Changes

Governor Walker said he would veto any budget that results in a property tax increase, prompting criticism from Assembly Speaker Robin Vos. Walker's pledge comes in response to speculation that lawmakers may scale back cuts he has proposed to free up general purpose revenue to spend elsewhere. Speaker Vos told reporters he was mystified by the governor's approach and method of communicating, saying the two did not speak before Walker made his comments, while arguing they share the goal of providing property tax relief. Walker's budget includes elimination of the state property tax, at a cost of \$180.5 million over two years, which generally goes towards forestry-related programs. Known as the Forestry Mill Tax, the tax costs the average homeowner about \$26 per year. Although programs would continue to be fully funded with GPR under the governor's budget, forestry groups and several lawmakers are pushing back, arguing it will lead to cuts down the road as lawmakers shift dollars to other budget priorities. Supporters of the governor's proposal, including the WI Realtors Association and Americans for Prosperity, argue the tax cut will help make home ownership more affordable in Wisconsin. Both groups have committed significant resources to advertisements urging lawmakers to support the governor's position. There does not appear to be a great deal of room for negotiating if the governor sticks to his position, as the Legislative Fiscal Bureau in March projected his budget would result in the property tax bill on the median-valued home dropping \$20 in the first year of the biennium and another \$1 in the second.

Joint Finance Committee Recap

The Joint Finance Committee rejected Governor Walker's proposed 5% tuition cut for UW students, instead opting for continuing the freeze for in-state undergrads, while approving his plan to adopt a performance-based funding model at the UW System, along with a funding increase of \$42.5 million tied to it. Other UW budget provisions approved include providing \$1.5 million annually for a Tommy G. Thompson Center on Public Leadership and the creation of an engineering school at UW-Green Bay. They also took up the bulk of the Dept. of Health Services budget on Thursday, including Medicaid and FoodShare programs. On a party-line vote, the committee voted to approve most of the governor's proposed changes, including a measure requiring drug testing for Medicaid recipients, and a revised pilot program requiring some food stamp recipients with school-age children to work in order to receive benefits. The committee also approved an increase in nursing home reimbursement rates, an increase for facilities serving patients with intellectual disabilities, \$5 million annually for nursing homes that care for residents with dementia and psychiatric diagnoses, and a significant increase in the reimbursement rate for personal care services. Funding for the state's Disproportionate Share Hospital program was also added to the budget by JFC, along with a bump in funding for graduate medical education, care coordination efforts, and two grant programs for advanced practice clinicians and allied health professionals. The committee signed off on Walker's plan to consolidate human resources functions at the Dept. of Administration, along with a proposed expansion of drug testing and use of a more stringent screen in the state's W-2 program. The committee rejected Walker proposals calling for the creation of a public campaign to encourage young people to graduate high school, maintain a full-time job and then wait to have children until they're married and older than 21, and another that would have ended funding for grants to programs that provide legal services to low-income families related to domestic violence, sexual abuse, restraining orders, and injunctions.

Walker Calls on Lawmakers to Approve Transportation Budget

Governor Walker called on lawmakers to adopt a transportation budget while criticizing lawmakers for removing his original budget proposal. Republican co-chairs of the Finance Committee last month announced they would work off the base budget for transportation. Speaking to reporters on Thursday in Neenah, near a major highway interchange reconstruction project, Walker called the move a mistake that will result in the postponing of major transportation projects throughout Wisconsin. The governor continues to argue his proposal includes borrowing at historically low levels, maintains his pledge to hold the line on taxes and fees, provides a significant funding increase for local governments, and keeps important projects such as the one near Neenah on track. Walker also repeated his opposition to increasing the gas tax or vehicle registration fees to pay for road projects, a measure some Republican leaders have said they remain open to. Assembly Majority Leader Jim Steineke responded to the governor's remarks by saying the Assembly is willing to hold up the transportation portion of the budget until a compromise is reached. Steineke argued the nonpartisan Legislative Fiscal Bureau has ruled the governor's proposed borrowing is unsustainable, highlighted the \$1 billion transportation fund shortfall, while saying he remains open to exploring increased gas taxes, vehicle registration fees and tolls on Wisconsin's interstates.

Lawmakers Look to Limit Union Membership on Workers Compensation Council

Republican state lawmakers have proposed legislation to limit union membership on the state council advising the legislature and Walker administration on worker's compensation laws. The council is currently split evenly between representatives of employers and employees. Under the measure, introduced by Rep. John Spiros, the number of union members representing employees on the council would be limited to reflect the proportion of union workers in the state. Spiros argued during a hearing on the bill the change is needed to reflect shrinking union membership in the state. The AFL-CIO and other union groups oppose the measure, arguing the current balance has served the state and employees well.

Democratic Leader Calls for Special Session on Jobs, Slam GOP Over Prevailing Wage

Assembly Minority Leader Peter Barca called for a legislative special session to focus on job creation and economic growth for Wisconsin. The call comes on the heels of a recent report that found the state was last in the nation in 2016, for the third year in a row, in business start-up activity. It is also in response to a state audit of the Wisconsin Economic Development Corp. that suggested the agency has not been collecting enough information on how recipient companies have used its grants, loans and other incentives provided by the state. At the same press conference, Barca and other Democratic lawmakers also used a new study showing a spike in public works projects being awarded to out-of-state contractors to argue recent Republican backed prevailing wage and labor agreement legislation should be repealed.