



State of Wisconsin
2019 - 2020 LEGISLATURE

LRB-3336/1
RAC:kjf

2019 BILL

1 **AN ACT** *to amend* 20.765 (3) (ka); and *to create* 13.94 (3m) of the statutes;
2 **relating to:** requiring the state auditor to appoint an inspector general to
3 investigate Department of Transportation programs and activities and making
4 an appropriation.

Analysis by the Legislative Reference Bureau

This bill requires the state auditor to appoint within the Legislative Audit Bureau an inspector general who is assigned to and housed at the headquarters of the Department of Transportation and whose services are paid for by DOT. The state auditor appoints the inspector general for a six-year term expiring on March 1 of the odd-numbered year.

The bill provides that the inspector general may examine the accounts and other financial records of DOT and may review the performance and program accomplishments of DOT. The inspector general must at all times with or without notice have access to any books, records, or other documents maintained by DOT relating to its expenditures, revenues, operations, and structure.

Under the bill, the inspector general must investigate fraud in DOT programs or activities and report any finding of fraud to the Department of Justice, as well as investigate waste, abuse, or inefficiency in DOT programs or activities. The inspector general must report any finding of waste, abuse, or inefficiency to the speaker of the assembly, the senate majority leader, the Joint Legislative Audit Committee, the assembly and senate committees on transportation, and the chairpersons of standing committees whose committee jurisdiction includes

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oversight and accountability of government operations. In addition, in investigating waste, abuse, or inefficiency, the inspector general must endeavor to identify savings for DOT that would pay at least the costs incurred by the inspector general in carrying out the investigations.

Under the bill, the inspector general must submit an annual report of inspector general activities to the speaker of the assembly, the senate majority leader, the Joint Legislative Audit Committee, the assembly and senate committees on transportation, and the chairpersons of standing committees whose committee jurisdiction includes oversight and accountability of government operations.

The bill provides that the speaker of the assembly and the senate majority leader, jointly, may direct the inspector general to examine the records or programs of DOT. The chairpersons of the Joint Legislative Audit Committee, the assembly and senate committees on transportation, and the chairpersons of standing committees whose committee jurisdiction includes oversight and accountability of government operations may also direct the inspector general to examine the records or programs of DOT.

Under the bill, upon request of the inspector general, legislative service agencies must assist the inspector general in performing any of his or her duties or exercising any of his or her powers.

Finally, the bill provides that the inspector general may review claims by any person whose substantial interest has been adversely affected by a DOT action or order. A person requesting such a review must do so before the commencement of a contested case or other similar state agency review process. If the inspector general elects to review a claim, the inspector general must determine whether the DOT action or order was inconsistent with any law or administrative rule. The inspector general must report all such determinations to the speaker of the assembly, the senate majority leader, the Joint Legislative Audit Committee, the assembly and senate committees on transportation, and the chairpersons of standing committees whose committee jurisdiction includes oversight and accountability of government operations.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 **SECTION 1.** 13.94 (3m) of the statutes is created to read:
2 13.94 (3m) INSPECTOR GENERAL. (a) In this subsection, “department” means the
3 department of transportation.

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1 (b) The state auditor shall appoint an inspector general who is assigned to and
2 housed at the headquarters of the department. The state auditor shall appoint the
3 inspector general for a 6-year term expiring on March 1 of the odd-numbered year.

4 (c) The inspector general shall be housed at the department headquarters. The
5 department shall provide office space for the inspector general. The department
6 shall pay for all services provided by the inspector general and shall credit the
7 payments to the appropriation account under s. 20.765 (3) (ka).

8 (d) The inspector general shall be strictly nonpartisan and shall at all times
9 observe the confidential nature of any investigation currently being performed.

10 (e) The inspector general may examine the accounts and other financial records
11 of the department to assure that all financial transactions have been made in a legal
12 and proper manner. The inspector general may review the performance and program
13 accomplishments of the department during the fiscal period for which the
14 examination is being conducted to determine whether the department carried out
15 the policy of the legislature and the governor during the period for which the
16 appropriations were made. The department shall at all times with or without notice
17 provide the inspector general access to any books, records, or other documents
18 maintained by the department relating to its expenditures, revenues, operations,
19 and structure, including specifically any such books, records, or other documents
20 that are confidential by law.

21 (f) The inspector general shall do all of the following:

22 1. At his or her discretion, review claims by any person whose substantial
23 interest has been adversely affected by a department action or order. A person
24 requesting such a review must do so before the commencement of a contested case
25 under s. 227.44 or other similar state agency review process. If the inspector general

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1 elects to review a claim, the inspector general shall determine whether the
2 department action or order was inconsistent with any law or administrative rule.
3 The inspector general shall report all such determinations to the speaker of the
4 assembly, the senate majority leader, the joint legislative audit committee, the
5 assembly and senate committees on transportation, and the chairpersons of
6 standing committees whose committee jurisdiction includes oversight and
7 accountability of government operations.

8 2. Investigate fraud in department programs or activities and report any
9 finding of fraud to the department of justice.

10 3. Investigate waste, abuse, or inefficiency in department programs or
11 activities and report any finding of waste, abuse, or inefficiency to the speaker of the
12 assembly, the senate majority leader, the joint legislative audit committee, the
13 assembly and senate committees on transportation, and the chairpersons of
14 standing committees whose committee jurisdiction includes oversight and
15 accountability of government operations. In investigating waste, abuse, or
16 inefficiency in department programs, the inspector general shall endeavor to identify
17 savings for the department that would pay at least the costs incurred by the inspector
18 general in carrying out the investigations.

19 4. Submit an annual report of inspector general activities to the chief clerk of
20 each house of the legislature, for distribution to the legislature under s. 13.172 (2),
21 and to the speaker of the assembly, the senate majority leader, the joint legislative
22 audit committee, the assembly and senate committees on transportation, and the
23 chairpersons of standing committees whose committee jurisdiction includes
24 oversight and accountability of government operations.

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1 (g) Before the department may expend on its programs and activities any
2 moneys saved as a result of inspector general investigations under par. (f) 2. and 3.,
3 the department must first use the moneys to pay all costs incurred by the inspector
4 general in carrying out the investigations.

5 (h) The speaker of the assembly and the senate majority leader, jointly, may
6 direct the inspector general to examine the records or programs of the department.
7 The inspector general shall submit the investigation report to the chief clerk of each
8 house of the legislature, for distribution to the legislature under s. 13.172 (2), and
9 to the speaker of the assembly, the senate majority leader, the joint legislative audit
10 committee, the assembly and senate committees on transportation, and the
11 chairpersons of standing committees whose committee jurisdiction includes
12 oversight and accountability of government operations.

13 (i) The chairpersons of the joint legislative audit committee, the assembly and
14 senate committees on transportation, and the chairpersons of standing committees
15 whose committee jurisdiction includes oversight and accountability of government
16 operations may direct the inspector general to examine the records or programs of
17 the department. The inspector general shall submit the investigation report to the
18 chief clerk of each house of the legislature, for distribution to the legislature under
19 s. 13.172 (2), and to the speaker of the assembly, the senate majority leader, the joint
20 legislative audit committee, the assembly and senate committees on transportation,
21 and the chairpersons of standing committees whose committee jurisdiction includes
22 oversight and accountability of government operations.

23 (j) Upon request of the inspector general, the legislative service agencies shall
24 assist the inspector general in performing any duty or exercising any power under
25 this subsection.

