



## WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

July 9, 2014

*Hand Delivered*

Secretary Mike Huebsch  
Wisconsin Department of Administration  
P.O. Box 7864  
Madison, WI 53707

Dear Secretary Huebsch,

Thank you for your June 30<sup>th</sup> correspondence providing members of the Building Commission with an inventory of State assets that may potentially be sold or leased in the next biennium. We agree that any such sale or lease be in the best interest of the State in the both the short and long term, and requires a process that is transparent and accountable to the taxpayers of Wisconsin.

In your letter, you stated that you were not providing the fair market value of these assets. However, as you may be aware, s. 13.48 (14)(d) dictates that:


*No later than July 1 following receipt of the inventories, the department of administration shall obtain appraisals of all properties in the inventories that are identified by the department for potential sale and shall submit to the building commission an inventory containing the location, description and fair market value of each parcel of property identified for potential sale.*

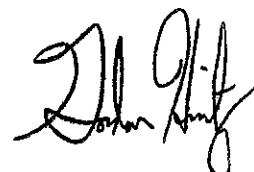
Since the State has authority to negotiate sales without a public bidding process, it is essential that our "competitive and transparent process" include disclosure of fair market value. As members of the Building Commission, we respectfully request that you provide us with the fair market value of each of the parcels that may be potentially sold or leased, as required by state law. In doing so, please provide the location and description of each parcel identified by the Department. Your correspondence primarily contains only categories or type of properties that may be sold, which does not meet the above statutory requirement.

Further, while the Administration has confirmed that the Building Commission and Joint Finance Committee must approve any proposed sale of State property, the statutes allow for two very different processes for such sales. Under Chapter 13, the Building Commission initiates the sale process including conditions of sale. Under Chapter 16, the Department of Administration initiates the sale process and simply may submit a report to the Building Commission recommending acceptance of an offer. The broad authority granted in Chapter 16 raises additional concerns about delegating legislative authority to the Department of Administration to unilaterally set expenditure and appropriations for personnel impacted by state asset sales without oversight by the Legislature. We request that you notify us which process your office intends to implement going forward.

Thank you for your attention to these matters.

Sincerely,

  
Senator Fred Risser  
26<sup>th</sup> State Senate District

  
Representative Gordon Hintz  
54<sup>th</sup> State Assembly District



July 30, 2014

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*Hand Delivered*

Secretary Mike Huebsch  
Wisconsin Department of Administration  
P.O. Box 7864  
Madison, WI 53707

Dear Secretary Huebsch,

This letter serves as a follow up to our July 9, 2014 request. We again ask that the Department of Administration (DOA) provide the fair market value, location and description of each of the parcels of State property that may be potentially sold or leased.

DOA is required under s. 13.48 (14)(d) to provide the following information to the State Building Commission. The language in the statutes leaves no room for any interpretation:


*No later than July 1 following receipt of the inventories, the department of administration shall obtain appraisals of all properties in the inventories that are identified by the department for potential sale and shall submit to the building commission an inventory containing the location, description and fair market value of each parcel of property identified for potential sale.*

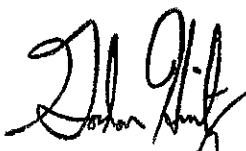
We again ask DOA to provide the fair market value of each of the parcels that may be potentially sold or leased, as required by state law. In doing so, please provide the location and description of each parcel identified by the Department. As was noted in our previous letter, your June correspondence primarily contains only categories or type of properties that may be sold, which does not meet the above statutory requirement.

We find it troubling that to date DOA has elected not to follow Wisconsin law and is not being responsive to an inquiry from members of the Wisconsin State Building Commission. We again request information be provided to the members of the Building Commission before our next scheduled meeting on Wednesday, August 6, 2014 at the Expo Center at State Fair Park.

Please also find enclosed with this letter a memo from the Wisconsin Legislative Council confirming your obligation to provide us with this information. Thank you for your attention to these matters.

Sincerely,

  
Senator Fred Risser  
26<sup>th</sup> State Senate District

  
Representative Gordon Hintz  
54<sup>th</sup> State Assembly District

CC: Governor Scott Walker  
Senator Scott Fitzgerald  
Senator Terry Moulton  
Representative Dean Kaufert

Representative Joan Ballweg  
Mr. Bob Brandherm




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## WISCONSIN LEGISLATIVE COUNCIL

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*Terry C. Anderson, Director  
Laura D. Rose, Deputy Director*

TO: REPRESENTATIVE GORDON HINTZ  
FROM:  Mary Matthias, Principal Attorney  
RE: Department of Administration Inventory of Properties Identified for Potential Sale  
DATE: July 28, 2014

This memorandum responds to your request for a description of the information that the Department of Administration (DOA) is required to provide to the Building Commission every two years regarding state-owned property that DOA has identified for potential sale.

Section 13.48(14), Stats., authorizes the Building Commission to sell or lease certain state-owned real property, and sets forth the procedures it must follow to do so.

The statute also requires each state agency, other than the Investment Board, to provide to DOA, every two years, an inventory of all real property under the agency's jurisdiction. The inventory must include the following:

- The estimated fair market value of each property. This requirement does not apply to the Board of Regents of the University of Wisconsin System.
- Identification of any underutilized assets in the inventory.

After receiving these inventories, DOA must obtain appraisals of all properties in the inventories that DOA identifies for potential sale. By July 1 of the year that DOA receives the inventories, it must in turn submit to the building commission an inventory containing the location, description, and fair market value of each parcel of property it has identified for potential sale. [s. 13.48 (14) (d), Stats.]

If you have any questions, please feel free to contact me directly at the Legislative Council staff offices.

MM:ksm

CC: Governor Scott Walker  
Senator Scott Fitzgerald  
Senator Terry Moulton  
Representative Dean Kaufert  
Representative Joan Ballweg  
Mr. Bob Brandherm