

STATE OF WISCONSIN
Assembly Journal

Ninetieth Regular Session

WEDNESDAY, August 14, 1991

The chief clerk makes the following entries under the above date:

ADMINISTRATIVE RULES

Read and referred:

Assembly Clearinghouse Rule 91-56

Relating to the cooperative tourism advertising program.

Submitted by Department of Development.

To committee on Tourism and Recreation.

Referred on August 14, 1991.

Assembly Clearinghouse Rule 91-67

Relating to staff attorney representation of nonindigent clients.

Submitted by State Public Defender.

To committee on Judiciary.

Referred on August 14, 1991.

Assembly Clearinghouse Rule 91-73

Relating to the administration of the forest crop law and the managed forest law.

Submitted by Department of Natural Resources.

To committee on Agriculture, Aquaculture and Forestry.

Referred on August 14, 1991.

Assembly Clearinghouse Rule 91-77

Relating to allowing the operation of double bottoms and certain other combination vehicles greater than 60 feet in overall length on the specified highways.

Submitted by Department of Transportation.

To committee on Highways.

Referred on August 14, 1991.

Assembly Clearinghouse Rule 91-85

Relating to qualifications for commercial driver licenses.

Submitted by Department of Transportation.

To committee on Transportation.

Referred on August 14, 1991.

**INTRODUCTION AND REFERENCE
OF PROPOSALS**

Read first time and referred:

Assembly Joint Resolution 79

Relating to limiting the number of consecutive terms permitted for state officers, members of the state legislature, and members of the United States congress from this state (first consideration).

By Representatives Ladwig, Hahn, Boyle, Duff, Zien, Brancel, Turba, Freese and Schultz, cosponsored by Senators Leca, Farrow and Huelsman.

To committee on Elections and Constitutional Law.

Assembly Bill 511

Relating to establishing a teacher loan assistance program.

By Representatives Schneiders, Hamilton, Darling, Ladwig, Fortis and Rosenzweig, cosponsored by Senator Farrow.

To committee on Urban Education.

Assembly Bill 512

Relating to municipal transportation of jail prisoners for medical or hospital care.

By Representatives Wood, Robson, Turner and Van Gorden.

To committee on Criminal Justice and Public Safety.

Assembly Bill 513

Relating to property owner responsibility for utility service to a rental dwelling unit.

By Representatives Holperin, Wood, Rohan, Holschbach, Coleman, Wimmer, Ott, Hahn, Urban, Lehman, Klusman, Underheim, Duff, Harsdorf and Zien, cosponsored by Senator Van Sistine.

To committee on Environmental Resources, Utilities and Mining.

Assembly Bill 514

Relating to recovery of damages regarding retail theft and worthless check violations.

By Representatives Hahn, Silbaugh, Goetsch, Vergeront, Lorge, Van Gorden, Underheim and Zien, cosponsored by Senator Petak.

To committee on Small Business and Education or Training for Employment.

Assembly Bill 515

Relating to prohibiting genetic testing by employers, labor organizations, employment agencies and licensing agencies and providing penalties.

By Representatives Holschbach, Barca, Baldus, Bock, Boyle, Carpenter, Grobschmidt, Gronemus, Gruszynski, Hahn, Hamilton, Hisrich, Klusman, Medinger, Notestein, Potter, Rohan, Seery, Stower, Underheim, Van Drael and Young, cosponsored by Senators Plewa, Van Sistine and Breske.

To committee on Labor.

Assembly Bill 516

Relating to the election of a property owner to pay a special assessment in a lump sum or on an instalment basis.

By Representatives Rosenzweig, Wineke, Wood, Panzer, Hahn, Bell, Duff, Underheim, Turner, Schneiders, Lehman, Urban and Ott, cosponsored by Senators Ulichny, Buettner, Weedon, Petak, Farrow and Huelsman.

To committee on Ways and Means.

EXECUTIVE COMMUNICATIONS

State of Wisconsin
Office of the Governor
Madison

To the Honorable, the Assembly:

The following bill, originating in the assembly, has been approved, signed and deposited in the office of the Secretary of State:

Assembly Bill	Act No.	Date Signed
91 (partial veto)	39	August 8, 1991

Respectfully submitted,
TOMMY G. THOMPSON
Governor

GOVERNOR'S VETO MESSAGE

August 8, 1991

To the Honorable Members of the Assembly:

I have approved **Assembly Bill 91** as 1991 Wisconsin Act 39 and deposited it in the Office of the Secretary of State.

When the budget process began last year, skeptics said that we could not produce a balanced budget without massive tax increases or major spending cuts. As a result of much hard work and some tough decision-making, the budget I introduced on February 7 had no general tax increases and no significant program reductions. I challenged the Legislature to pass a budget that would follow those guidelines.

The budget I received back from the Legislature contained over a half-billion dollars in tax increases and large spending increases, with much of the new spending for unnecessary or poorly conceived programs. After carefully reviewing the Legislature's bill and exercising my veto power 457 times, the budget I am signing today will be balanced, will have no general tax increases, will hold the state spending increase to the rate of inflation and will provide significant property tax relief.

This was a difficult budget for everyone involved. But it is important to remember that Wisconsin has been one of a handful of states to avoid a debilitating budget crisis in the past two years. The media have presented grim stories from many other states where taxes have been raised, workers laid off, state parks closed, and state aid to cities, schools and social service programs drastically reduced.

Wisconsin has avoided a crisis situation because we have chosen a path of stability and restraint. We have consciously sought to limit taxes. We have not increased spending to unsustainable levels. We have been careful about extending the reach of state government. We have worked to increase personal disposable income and to encourage businesses to create jobs.

The importance of continued restraint in overall state taxing and spending cannot be overemphasized. These policies are essential to maintaining prosperity and fiscal stability on an ongoing basis. This is not the time to abandon the policies that have worked so well and succumb to the temptation for a quick fix to deal with spending demands.

It is ironic that the Legislature spent so much time looking at various proposals to increase taxes, when no tax increases were needed to balance the budget. At a time when so many states had no choice but to raise taxes, often significantly, it is clearly not in our best interest to rush into unnecessary tax increases.

Despite this, the Legislature passed a far-reaching tax increase package. It included a \$295 million personal income tax increase due to the elimination of the school property tax credit for homeowners, a \$74 million corporate income tax increase, a \$69 million personal income tax increase due to a cutback in the capital gains exclusion, a \$69 million cigarette tax increase and a \$28 million increase in the real estate transfer fee. In total, these add up to \$535 million in new taxes over the next two years.

The tax increases passed by the Legislature have been used partly to fuel additional spending for ongoing state programs, partly to start new programs and partly to fund the Legislature's property tax program. I have vetoed these tax increases because they will damage the state's economy, because they are used to fund unacceptably large spending increases and because the property tax program to which they are linked is seriously flawed.

It is disappointing that the property tax program which came out of the Legislature is unacceptable and cannot be signed into law. I have vetoed the Legislature's proposal for several major reasons:

- It is accompanied by \$535 million in new taxes over the next two years.
- It eliminates two major existing property tax credit programs, the school property tax credit for homeowners on their income tax forms, which offsets 10% of residential property taxes, and the \$319 million below-the-line levy credit on property tax bills, which offsets 7% of property taxes for all property tax payers.
- It increases property taxes for all businesses, most farmers and many homeowners, and it will cause rent increases for almost all renters.

- It provides only temporary relief for the few taxpayers who benefit initially.
- It cannot be funded in future years without additional tax increases.
- It is difficult to understand and administer.

Our citizens have waited a long time for genuine property tax relief. It is not necessary to raise other taxes in order to provide relief, nor is it necessary to eliminate existing property tax credits.

Instead, my vetoes authorize a direct lottery property tax credit. The credit will be equal to the school taxes on the first \$8,200 of estimated fair market value of a principal residence and will be provided beginning with the December 1991 property tax bills. Finally, Wisconsin's taxpayers will be able to see where their lottery dollars are going through a credit shown right on their property tax bills. The credit will be about \$140 for the average homeowner.

As I have promised, this credit is funded entirely with lottery proceeds. No tax increases or new taxes are required to pay for it. The credit is permanent. And no group of citizens is made worse off in order to fund it, because my vetoes restore the 10% school property tax credit for homeowners on the income tax form and the \$319 million below-the-line levy credit for all property tax payers on property tax bills. My credit is a direct benefit to home owners, not merely a shift from one pocket to the other.

I am proud that I am able to sign a budget bill that controls state spending, provides direct property tax relief through a lottery credit and contains no general tax increases. I am proud that this budget increases the state's share of school costs to 50%. I am also proud of the many other beneficial items in the budget bill, which includes the following provisions:

Taxes and Property Tax Relief

- * Increases direct school aids by \$91.4 million for fiscal year 1991-92.
- * Increases shared revenue by \$50.4 million for the biennium.
- * Provides \$7.9 million in tax relief for low income workers through an expanded state Earned Income Tax Credit.

Economic Development

- * Eliminates income tax increases for wage earners, corporations and investors which would have discouraged businesses from expanding or locating in Wisconsin.
- * Implements a central city initiative for Milwaukee to help troubled neighborhoods develop jobs, homes and businesses through use of programs such as the Job Ride, minority business development and targeted economic development programs.

- * Authorizes new transportation programs, including a regional transportation authority for southeastern Wisconsin, a new local road improvement program and a light rail study; increases mass transit assistance; and enumerates an additional 12 new major highway projects.
- * Creates a World Dairy Center Authority which will develop new dairy markets, products and services through the establishment of a World Dairy Center in Dane County.
- * Authorizes WHEDA to guarantee up to \$8 million for the restoration of Taliesin and authorizes \$8 million in bonds for an Olympic Ice Training Center at State Fair Park.
- * Phases out the gross receipts tax on telecommunications companies, replacing it with an ad valorem tax.
- * Makes the corporate anti-takeover law permanent.

Education

- * Provides for an increase in the state share of school costs to 50% in fiscal year 1991-92, by providing a direct school aid increase, retaining and expanding the existing school levy credit and authorizing the new lottery property tax credit to pay school levies on the first \$8,200 in value of principal residences.
- * Improves school-to-work transition through a tech-prep program to expand educational training for jobs and creates a youth apprenticeship program in DILHR.
- * Requires annual school district report cards to inform parents of how well districts perform.
- * Creates an alternative compliance procedure for state mandates on schools.
- * Provides the smallest UW tuition increases (3.4%/4.3%) in the last decade, while expanding efforts in engineering, laboratory modernization, student computer workstations and classroom supplies.
- * Provides \$116.1 million in general fund borrowing authority for the WISTAR program which will provide financial support for research facilities at the University of Wisconsin.
- * Increases National Guard tuition grants from 25% to 50% of costs and expands eligibility for the grants.
- * Provides \$2.7 million to expand the Family Practice Residency program at the Medical College of Wisconsin.
- * Provides \$5.1 million to the Marquette Dental School to lower tuition and increase enrollment of Wisconsin residents and enhance the provision of clinical services in Milwaukee.

Environmental Protection

- * Provides an additional \$63.2 million in general obligation bonding and \$568.4 million in revenue bonding for wastewater treatment facility construction under the Clean Water program.
- * Implements new safe drinking water initiatives.
- * Establishes a funding mechanism for \$200 million in local recycling grants over eight years, along with market development programs.
- * Increases the PECFA program cap from \$25 million to \$57 million in 1991-92 to cover the costs of increased demand on the PECFA program, which funds the removal of underground storage tanks to meet federal requirements.
- * Approves a grant program in DNR to reimburse the costs of implementing Stage II vapor recovery requirements.
- * Provides \$2.4 million beginning in 1992-93 to clean up or restore Great Lakes harbors and bays.
- * Provides \$2 million in each of the next two years as part of Wisconsin's \$12 million contribution to the regional Great Lakes Protection Fund to address water pollution problems.
- * Creates a \$950,000 Endangered Resources challenge fund to match private endangered resources donations.
- * Creates a Fox-Winnebago Regional Management Commission to manage, operate, restore and repair locks on the waterway.

Human Services

- * Provides increases to the Medical Assistance (MA) program for increased caseloads and service utilization, the Healthy Start program, provider rate increases, new benefits in dental services and care coordination for high-risk pregnant women.
- * Addresses rural health issues by enhancing MA reimbursement to rural hospitals, modifying the rural hospital loan guarantee program and providing more funds to make it effective, and providing MA incentive payments and medical school loan repayments for physicians in underserved areas.
- * Provides new funding for public health grants, early detection and treatment of cervical cancer and sexually transmitted diseases, breast cancer screening, AIDS service organizations and lead poisoning education/prevention programs.
- * Continues welfare reform by authorizing a federal AFDC waiver request for a parental responsibility pilot program and providing new funding for the statewide JOBS program base and other initiatives.

- * Provides 2,745 Community Options Program (COP) and COP-Waiver slots over the biennium and increases funding for elderly benefit specialists.
- * Increases funding to counties for Youth Aids, Community Aids and General Relief costs.
- * Provides new funds for programs involving developmentally disabled children from birth to three, domestic abuse services and teenage pregnancy prevention.

Crime and Prisons

- * Provides funding for correctional populations which are expected to increase by 12% annually and probation and parole caseloads which will increase by 8% annually.
- * Provides for the construction of new prison beds in those locations where they can be constructed or acquired most quickly and at lowest cost, allows the new beds to be added at existing facilities and removes requirements that they must be added at specific named locations.
- * Creates an intensive sanctions program under which the Department of Corrections will design a program of punishment that is less costly than ordinary imprisonment and more restrictive than ordinary probation and parole as an alternative sentence for nonviolent criminals.
- * Fully funds the Automated Fingerprint Information System.
- * Increases funding for victim compensation and for services to victims and witnesses.

Government Operations

- * Authorizes the consolidation of several state computer centers into one state division.
- * Establishes a code of ethics for local government officials.
- * Regulates health insurance policy rate setting and renewal standards as a first step in reforming health insurance industry practices affecting small businesses.

It should be no surprise that I have used my partial veto power a record 457 times. This was the largest budget bill in memory. It was not a bipartisan document. Far too many items were included which should have been taken up as separate legislation. For example, I have vetoed the transfer of consumer protection programs to the Department of Justice and restored them to the Department of Agriculture, Trade and Consumer Protection.

Many items were also put in the bill with little or no public debate and with no identification of their sponsors. One Joint Finance Committee motion alone contained over 130 separate motions, the vast majority of which received no public discussion at all.

In several areas, the Legislature did not honor processes it has in place to determine resource allocation questions. Too many legislators tried to circumvent existing procedures through such measures as earmarking funds for specific domestic abuse shelters and approving specific nonpoint source pollution projects. In most cases, I have vetoed these special allocations.

In some cases with special circumstances, such as the direct grants to specific arts organizations, I have signed specific designations. However, I want to make it clear that I will not look favorably on this practice in the future and that arts organizations and other groups should work through established processes.

The Legislature also ignored the role of local governments in some instances, such as the issuance of eight "Class B" liquor licenses. Again, specific grants of funding or privileges should generally be avoided. It is preferable to address issues by putting in place appropriate procedures, as the Legislature did in the liquor license area by allowing municipalities to issue "Class C" wine licenses if they have reached their "Class B" liquor license quota limit. Accordingly, I vetoed the specific "Class B" license grants and signed the general "Class C" wine license language. Confidence in the entire governmental process is undermined by special grants and promoted by the establishment of reasonable procedures.

For these reasons alone, I have found it necessary to use my veto power extensively. I have also used my partial veto power to restructure and improve some of the complicated proposals the Legislature passed (e.g., the property tax program, the prison construction initiative). I believe my revisions have resulted in better public policy and illustrate why the partial veto is a useful and important gubernatorial tool.

Furthermore, I have used the partial veto to address situations in which the Legislature has added items to the budget bill which increase appropriations without specific authorizing language anywhere in the final bill. In these cases, language stating the Legislature's intent appears in a Joint Committee on Finance motion or in other legislative documents but is not reflected in specific language in the final bill, while the associated funding increase is included within a larger appropriation line in the bill.

Adding programs or funding increases in this manner, simply by stating legislative intent without specific language that is subject to gubernatorial review, improperly circumvents the executive's ability to review legislative action. I have used my partial veto power to veto some of these items in the following manner: I have explained that I want to veto an item in the veto message and I have then deleted the affected appropriation with strikeouts and revised the appropriation figure to reflect the removal of funding for the item in question.

These "intent vetoes" are necessary to preserve the balance of power between the executive and legislative

branches. The Legislature has attempted to add provisions to the bill with expressions of legislative intent rather than with direct statutory authorization that can be vetoed in the traditional manner. Intent vetoes allow me to strike items added in this fashion. My vetoes in these cases can be overridden by the Legislature in a very straightforward fashion simply by a two-thirds vote to remove the relevant appropriation strikeouts, just like any other partial veto.

Although I have gone a long way in reshaping the budget, in areas where I received cooperation from the Legislature their budget changes were left largely intact, such as funding for recycling programs. I am willing to work with the Legislature to shape major issues in a bipartisan fashion.

While the budget as partially vetoed contains many worthwhile items, I am disappointed that the Legislature has not shown a willingness to address several of our most pressing problems. I hope the Legislature will join me in the coming months to work on these issues.

First, controls on local spending are absolutely necessary for any property tax relief program to succeed. While a lottery credit has now been created and the state's share of school costs has been increased to 50%, the Legislature has not yet passed the other key component of my property tax relief plan, a meaningful cost control package. Meaningful cost controls should be permanent, should be linked to the Consumer Price Index, should have limited exceptions, should only be subject to override by referendum and should be linked to mandate relief and reforms in the state's mediation/arbitration law to return to collective bargaining so school boards and other officials can do the job they are elected to do.

I will continue to emphasize that true long-term property tax relief can only be achieved by addressing the issue of spending. The people of Wisconsin understand this basic fact and the Legislature should act promptly to implement a meaningful cost control package. Second, in a competitive world it is imperative that school performance and accountability be improved. It is especially critical to demand improvement when several billion taxpayer dollars are sent to schools for the benefit of children and society. Citizens demand this when they spend their money. Government should demand no less when spending taxpayers' money.

Third, welfare dependency is harmful to both society and to welfare recipients. We need to do all we can to remove the disincentives that discourage the development of families, to promote self-reliance and to give people incentives to strive to reach their potential. I will continue to request that the Legislature consider innovative welfare reform approaches.

Finally, health insurance availability continues to be a pressing need, especially for employes of small businesses. My budget proposal to provide more affordable health insurance for small businesses should be taken up without further delay.

My partial vetoes reduce state spending by \$22.0 million GPR in fiscal year 1991-92 and prevent over \$500 million in new taxes from being collected over the biennium.

For the second year of the biennium, I have vetoed to zero many 1992-93 GPR appropriations (those which were increased by more than \$100,000 over fiscal year 1991-92 levels). I will be proposing a budget adjustment and reconciliation bill in January 1992 which may set different spending levels for these appropriations. The people of Wisconsin clearly cannot afford all the large spending increases to which the Legislature committed the state in 1992-93. After I have received updated revenue estimates later this year, I will be in a position to make specific spending recommendations for the bill to be introduced in January.

I also intend to submit a revenue adjustment bill to the Legislature in October 1991. This bill will recommend a five cents per pack cigarette tax increase, a reasonable increase which I have indicated is acceptable because it is related to the funding of certain health programs. Since the revenue adjustment bill has not yet been introduced and passed, I have vetoed the first year of certain biennial appropriations in AB 91. These vetoes should be regarded strictly as formalities; the operations of these programs will proceed as planned, since they operate on biennial appropriations and the second year of the appropriations has been signed. The vetoed funding will be fully restored when the revenue adjustment bill is passed.

In conjunction with my vetoes of many 1992-93 appropriations, I have also vetoed the Supplemental State School Aid (TIF aids) appropriation for 1991-92, which I also intend to restore. These TIF aids are scheduled to be paid in June 1992. Tax incremental finance districts are important economic development tools, and TIF aids assure that local school districts will not lose school aids when TIF districts are located within their boundaries. Funding for 1991-92 TIF aids will be fully restored when I submit my budget adjustment and reconciliation bill in January 1992, and this veto should also be regarded as a formality.

I am satisfied that I have been able to approve many beneficial items in this budget and provide the funding needed to carry out the essential functions that state government provides. This bill as partially vetoed, along with the subsequent budget legislation I will be asking for later this session, will keep Wisconsin on a stable and prosperous course.

Respectfully submitted,
TOMMY G. THOMPSON
Governor

ITEM VETOES

A. Education

1. Early Alcohol and Drug Abuse Prevention Programs
2. Aid to Milwaukee Public Schools
3. Pupil Mobility Aid
4. School-Based Management Grants to Milwaukee Public Schools
5. Adolescent Pregnancy Prevention Projects and Human Growth and Development Teacher Training
6. Milwaukee Public Schools Four-Year-Old Kindergarten Programs
7. Special Education under Chapter 220
8. Pre-School to Grade 5 Grants
9. Family Involvement in Education Grants
10. Alternative Compliance with School District Standards
11. School Report Card
12. Annual Report on Educational Performance
13. Aid to Multitype Library Systems
14. Fishing Has No Boundaries
15. School Aid Hold-Harmless Provision
16. Community Education Grant Program
17. Environmental Education Board
18. Science, Mathematics and Technology Grants
19. Certification of Athletic Associations
20. Driver Education Aid
21. State Aid for Advanced Placement Exams
22. Primary Cost Ceiling
23. Consolidation Planning Grant and School Aid Hold-Harmless
24. Tech-Prep Council
25. State Aids for Postsecondary Enrollment Options Tuition
26. Postsecondary Enrollment Options Comparability Requirement
27. Education for Employment Standards
28. Vocational Organization Support and Tech-Prep Curriculum Support
29. Employer Health Insurance Contributions
30. Approval of Minority Student Aid Awards
31. Bear and Deer Population Research
32. Nurse-Midwifery Education Study
33. Fees for Resident Students Over Age 62
34. Study of Faculty Salary Structure
35. Fee Structure at University of Wisconsin Recreational Facilities
36. UW General Program Operations and Academic Student Fees Appropriations
37. Engineering and Technology Program Improvements
38. University of Wisconsin System Base Resources Report
39. Leopold Professorship of Restoration Ecology
40. Incentive Grants
41. College for Kids
42. Lakeshore Hazardous Material Center
43. Educational Services to Business

44. GPR support for Educational Approval Board
 45. Emergency Retraining Grants
 46. Historic Sites Fee Reduction
 47. Museums General Program Operations Appropriations
 48. Southport Lighthouse
 49. Hans Christian Heg Statue
 50. Old Wade House Collections Manager
 51. Madeline Island Outreach Coordinator
 52. Transfer of State Parks
 53. Humanities Grants
 54. Heritage Arts Tourism
 55. Historic Markers
 56. Submerged Cultural Resources Council and Program
 57. Historic Preservation Ordinance
 58. Unauthorized Demolition of Historic Buildings
 59. Educational Communications Board Duties
 60. Wisconsin Public Broadcasting Foundation
 61. WHA-TV Representative on the Council on Public Television
 62. Arts Incubator Grant Program
 63. Increased Support for State Arts Programs
 64. Arts Board Administrative Position
 65. Targeted Support for the Arts
 66. Family Practice Residency Program
- B. Government Operations**
1. Second Year Appropriation Vetoes
 2. Privacy Council and Access to Information
 3. Open Records Law Change
 4. Expansion of Transitional Housing Program
 5. Washington Heights Neighborhood Grant
 6. Community Development Block Grant Programs
 7. Homeless Shelter Grant Funds
 8. Handicapped Homeless Program Transfer
 9. Regulation of Manufactured Home and Mobile Home Manufacturers
 10. Surplus State Land Program
 11. Clean Energy Rebate Program
 12. Community Land Trust Study
 13. Consolidation of Mail Operations
 14. Division of Information Technology Services
 15. Optical Disk Record Storage
 16. Women's Business Reporting
 17. Racine Zoo Funding
 18. National Aerial Photography Program
 19. Council on State-Local Relations
 20. Conversion of Permanent Positions to Project Status
 21. Prompt Payment Interest Change
 22. Circuit Court Automation System
 23. State Payment of County Court Costs
 24. Battery to Sports Officials
 25. Milwaukee County Violent Crime Courts
 26. Court Commissioner Powers
 27. Assistant District Attorney Positions — Taylor and Milwaukee Counties
 28. Assistant District Attorney Positions — Ozaukee, Dane and Marathon Counties
 29. Prior Approval for Requesting the Appointment of Special Prosecutors
 30. Deferred Prosecution Agreements in Domestic Abuse Cases
 31. Attorney Case Management and Time Reporting Methodology
 32. Paralegal Study
 33. Purchase of Non-Wisconsin Retirement System Creditable Service
 34. Maximum Limit on Wisconsin Retirement System Benefit
 35. Collective Bargaining for Supervisors
 36. Special Agent Compensation Study
 37. Department of Corrections Staff Recruitment
 38. Civil Service Reform
 39. PECFA Expansion
 40. Job Center Networks Extension
 41. WisJOBS Extension
 42. Notification of Position Openings
 43. Youth Apprenticeship Program
 44. Child Labor Laws
 45. Relocation Law Changes
 46. Abrasive Cleaning of Historic Buildings
 47. Wisconsin Service Corps Program
 48. Migrant Labor Council
 49. Prevailing Wage Applicability
 50. Health Insurance Risk Sharing Plan Modifications
 51. Temporomandibular and Craniomandibular Joint Disorder Mandate
 52. Mandated Acupuncture Coverage
 53. Agent Contracts
 54. General Purpose Revenue Funding for the Transaction Information for the Management of Enforcement System
 55. Access Plan for the Transaction Information for the Management of Enforcement System
 56. Law Enforcement Officers from Other States
 57. Authority to Close Accident and Disaster Sites
 58. Crime Victim and Witness Rights and Services
 59. Drug Abatement Teams
 60. Handgun Purchaser Record Check Appropriation
 61. City of Milwaukee Police Substations
 62. Department of Justice Office Automation
 63. Legal Staff
 64. Wausau Crime Laboratory Report
 65. Drug Checkpoints
 66. Administration of Federal Anti-Drug Abuse Funds
 67. Anti-Drug Abuse Funding Review
 68. Expedited Arbitration Procedures for Whistleblower Cases
 69. Waiver of Personnel Commission's Complaint Investigation

70. Private Investigators for the State Public Defender
71. Pari-Mutuel Tax Increase
72. Special Programs
73. License Application Moratorium
74. Admissions Tax
75. Appraiser Regulation
76. WHEDA Membership
77. Center for Integrated Living Grants
78. Wisconsin Development Reserve Fund Balance Transfer
79. Economic Development Bonding Authority
80. Audit of the Wisconsin Development Reserve Fund
81. Interest Rate Exchange Agreements
82. State Building Program — Lease of Correctional Facilities
83. State Building Program — Conversion of Atherton Hall
84. State Building Program — Expedited Construction of Correctional Facilities
85. State Building Program — Correctional Institution Locations and Authorized Additional Beds
86. State Building Program — Study of Wisconsin Conservation Corps Facility in Adams County
87. State Building Program — Requirement For Enumeration of WISTAR Projects
88. State Building Program — Enumerated WISTAR Repair and Renovation Projects
89. State Building Program — WISTAR Sunset
90. State Building Program — Joint Committee on Finance Approval of Building Projects
91. State Building Program — Ethan Allen School Construction Moratorium
92. State Building Program — Secure Housing at Ethan Allen School
93. State Building Program — Date For Building Commission to Submit Biennial Recommendations
94. State Building Program — Location of New Training Site and Military Academy
95. Earmarking of Child Care Clearinghouse Funds
96. Approval of Certain State Agency Reorganizations
97. Study of Compensation and Benefits of State Officials
98. Public Participation in Redistricting Process
99. Public Sector Efficiency Study
100. Legislative Reference Bureau Drafting Privileges
101. Lobbying Fees Sunset Dates
102. Secretary of State Required Lapse
103. Disaster Relief

C. Tax Policy

1. Individual Income Tax — School Property Tax/Rent Credit
2. Individual Income Tax — Capital Gains Exclusion Holding Period
3. Individual Income Tax — Capital Gains in the Minimum Tax
4. Individual Income Tax — Deduction for the Medical Insurance Costs of Self-Employed Persons
5. Individual Income Tax — Small Business Stock Capital Gains Exclusion
6. Individual Income Tax — Minimum Tax Adjustment for Incentive Stock Options
7. Corporate Income and Franchise Taxes — Rate Increase
8. Corporate Income and Franchise Taxes — Minimum Tax
9. Excise Taxes — Cigarette Tax Increase
10. Excise Taxes — Cigarette Tax Discount
11. Excise Taxes — “Class B” Liquor License Quota Exemption
12. Excise Taxes — Liquor License Denial for Septic System Violations
13. Excise Taxes — Liquor Licensing Residency Requirement
14. Sales Taxes — Sales Tax Base
15. Sales Taxes — Telecommunications Services Originating Outside Wisconsin
16. Utility Taxes — Relay Service Funding Study
17. Real Estate Transfer Fee
18. Recycling Fees — Surcharge Rates
19. Recycling Fees — Definition of Net Income
20. Fund Transfers and Lapses
21. Property Tax Relief — Property Tax Credit Program
22. Property Tax Relief — Farmland Tax Relief Credit
23. Property Tax Relief — Relinquishment of Farmland Preservation Agreements
24. Shared Revenues — Shared Revenue Funding Level
25. Shared Revenues — Shared Revenue Formula Changes
26. Shared Revenues — Shared Revenue Population Adjustment
27. Shared Revenues — Tax Rate Disparity Payment Funding Level
28. Shared Revenues — Tax Rate Disparity Payment Index Timing
29. Shared Revenues — Tax Rate Disparity Payment Inflation Standard
30. Shared Revenues — Supplemental State School Aid
31. Department of Revenue — Property Tax Deferral Program
32. Department of Revenue — Withholding Delinquent Property Taxes from Lottery Winnings

33. Department of Revenue — Initial Certification
 34. Tax Administration — Filing Fee for Appeal of Redetermination of Credits
 35. Joint Committee on Finance Supplemental Appropriations
 36. Property Tax — Classification of Recycling Activities
 37. Property Tax — Information on Unrelated Business Income
 38. Property Tax — Reports on Unrelated Business Income
 39. Property Tax — Reporting Requirements for Owners of Tax-Exempt Property
 40. Property Tax — Exemption for Solar and Wind Energy Systems
 41. Property Tax — Exemption for Benevolent Associations
 42. Property Tax — Exemption for Barnyard Runoff Control Systems
 43. Property Tax — Exemption for Leased Municipal Property
 44. Property Tax Administration — Limiting Assessment Appeals to Total Value
 45. Property Tax Administration — Special Assessment Exemption in First Class Cities
 46. Property Tax Administration — Solid Waste Costs on Property Tax Bill
 47. Public Service Commission — Public Utility Impact on Air Quality
 48. Investment Board — Investment Directors
 49. Lottery Board — Minority Supplier and Hiring Goals
 50. Local Government — Milwaukee Public Museum
 51. Local Government — Duties of Mayors at City Council Meetings
 52. Local Government — Bradley Center Information Requirements
 53. Local Government — Milwaukee Metropolitan Sewerage District Investment Authority
 54. Cash Management — Technical Item
- D. Human Resources**
1. Oral Contraceptives
 2. Institutions for Mental Diseases Funding
 3. Respiratory Care Rates
 4. Case Management Services by Federally Qualified Health Centers
 5. Adult Day Care Waiver
 6. Estate Liability
 7. Community Integration Program for Residents of State Centers (CIP IA)
 8. Community Integration Program for the Aged and Physically Disabled (CIP II)
 9. Home Health Study
 10. Outlier Reimbursement Study
 11. Child and Adolescent Service Plan
 12. Legislative Audit of Health Maintenance Organizations
 13. Model Nursing Home Contract
 14. Hospice Licensing
 15. Adult Day Care Certification
 16. State Health Insurance Program Pilot Projects
 17. Health Appropriations Funding
 18. AIDS Clinical Trials
 19. Family Planning
 20. Lead Poisoning
 21. Early Identification of Pregnancy
 22. Emergency Medical Services and Medical Care Councils
 23. Health Care Access Board
 24. Health Care Device Safety Grants
 25. Office of Health Care Information Report
 26. Homeless Health Care
 27. Informal Conference on Contested Actions
 28. Parental Responsibility
 29. New Hope Project
 30. AFDC-Unemployed Parent
 31. Children's Poverty Reduction Initiative
 32. Real Work Project
 33. Work First Program
 34. Community Service Jobs
 35. Learnfare Sanctions
 36. Learnfare Waiver
 37. Learnfare Case Management
 38. Healthy Start Program Staff
 39. General Relief
 40. Public Assistance Application Forms
 41. Hunger Prevention
 42. Food Stamp Outreach
 43. AFDC Emergency Assistance Definition
 44. Low Income Energy Assistance Program Outreach
 45. WISCAP Staff
 46. AFDC Emergency Assistance Appropriation
 47. Child Support Fee Study
 48. Child Support Incentives
 49. Community Aids Restructuring and Funding
 50. Culturally Specific Contract Language
 51. Domestic Abuse Program Funding
 52. Domestic Abuse Grant Limits
 53. Elderly Benefit Specialist
 54. Grants To Chapters of American Red Cross
 55. Services to Individuals Discharged from Michigan Shores Nursing Home
 56. Residential Long-Term Alcohol and Other Drug Abuse Treatment in the City of Milwaukee
 57. Programs for Senior Citizens and Elder Abuse Services Appropriation
 58. Capacity Building for Treatment Program
 59. Integrated Services for Children with Severe Disabilities
 60. Independent Living Centers
 61. Adolescent Choices Program
 62. Family Workshops
 63. Family Preservation Program
 64. Start Smart Initiative

65. Minority Long-Term Care Outreach Program
66. Sexual Assault and Abuse Treatment
67. Posttraumatic Stress Disorder Project
68. Housing Program for Elderly
69. Adoption Services Pilot Program and Foster Caseworkers for Milwaukee County
70. Domestic and Elder Abuse Training
71. Halfway House
72. Alcohol and Other Drug Abuse Program for Women
73. Runaway Services Program
74. Programs for Homeless Individuals with Alcohol and Other Drug Abuse Problems
75. Foster Care Supplement Payments
76. AIDS Prevention Training for Alcohol and Drug Abuse Workers
77. Community Support Grants
78. Community Support Program Requirement
79. Care Management Services for the Community Options Program
80. Community Options Program Funding
81. Interagency Coordinating Council
82. Council on Alcohol and Other Drug Abuse Treatment
83. Underage Drinkers
84. Permanency Planning
85. Out-of-Home Placement Fees and Parental Liability for Out-of-Home Placement of Children
86. Study of Elderly Parents and Developmentally Disabled Individuals
87. Foster Care and Adoption Assistance Studies
88. Audit of Milwaukee County Adoption and Foster Care Programs
89. Residential Treatment Facility for Delinquent Girls
90. Juvenile Restitution Program
91. Treatment Alternative Program
92. Juvenile Classification Study
93. Adult Education
94. Community-Based Demonstration Grants
95. Early Childhood Family Education Centers
96. Mother-Young Child Program
97. Involuntary Challenge Incarceration for Intensive Sanctions Clients
98. Limit of 500 Slots for Community Residential Confinement
99. Milwaukee and Oshkosh Correctional Officer Preservice Training
100. Study of County Jail Security Classification
101. Parole Commission
102. Council on Educational Programs and Educational Spending
103. Division of Intensive Sanctions
104. Sheboygan County Sex Offender Program
105. Milwaukee Alcohol and Other Drug Abuse Institution
106. Part-Time Study Grant
107. Homeless Veterans Reintegration
108. Retired Senior Volunteer Program

109. Veterans Benefits Information
110. Vietnam Veterans Health Care
111. Pilot Program Feasibility Study
112. Veterans Home Study
113. Board of Veterans Affairs
114. Council on Veterans Programs
115. Homeless Veterans' Eligibility

E. Environmental and Commercial Resources

1. Unsewered Communities
2. Minority Business Development and Training Program
3. Transition Period Loan Limit
4. Pollution Discharge-Based Environmental Fee
5. Landfills Near Airports
6. Landfill Monitoring Grant
7. Recycled Content Requirements for Newspapers
8. Yard Waste
9. Composting Pilot Project
10. Recycling Administration
11. Environmental Repair Administration
12. Nonpoint Source Program Plan Approval
13. Nonpoint Source Program Project Designations
14. Lincoln Creek Flood Control Project
15. Hydrologic and Groundwater Study
16. Flambeau River Water Quality Study
17. Phosphorus Effluent Limitations
18. Surface Water Quality Improvement
19. Sanitary District Exemption
20. Medical Waste Incinerators
21. Gasoline Vapor Recovery Requirements
22. Waste Flow Control
23. Air Pollution Control Council
24. Stewardship Carryover in 2000
25. Stewardship — Copper Falls State Park
26. Stewardship — Dr. Carl Welty Environmental Education Center
27. Stewardship — Federal Land Acquisition Funding Offset and Milwaukee River Restoration
28. Milwaukee North Avenue Dam Removal Study
29. Milwaukee River Revitalization Council
30. Henry Aaron State Park
31. Pike River Designation as Scenic Urban Waterway
32. Urban Rivers Grants Program
33. Northern Great Lakes Regional Visitors Center
34. DNR Parks General Program Operations Appropriation
35. DNR Administrative Services General Program Operations Appropriation
36. DNR Resource Management General Program Operations Appropriation
37. Lake Michigan Commercial Fishing
38. Discount for 16-Year Old Anglers
39. Fish Rearing Ponds Grant Program

40. Preference for Special Deer Hunting Permits
41. Elk Reintroduction
42. Lake Winnebago Comprehensive Project Plan
43. Fox-Winnebago Regional Management Commission
44. Urban Forestry Grants
45. Purple Loosetrife Research — Matching Grant
46. Purple Loosetrife Research — Endangered Resources Appropriation
47. Endangered Resources Funding
48. Eligible Activities for Lake Management Grants
49. Earmarking of Dam Repair Funds
50. Wetlands Program Staffing
51. Citizen Petition for an Environmental Impact Statement
52. Environmental Assessments
53. Crandon Snowmobile Bridge
54. Snowmobile Supplemental Trail Aids
55. DNR Magazine Appropriation
56. Endangered Resources Voluntary Payments
57. Farms for the Future Fund
58. Report on Pesticide Funding
59. Transfer of Consumer Protection Programs
60. Consumer Protection Funding
61. Milk Procurement Fee
62. Minimum Milk Prices
63. Marketing Agency in Common Grant
64. Export Trading Company Grant
65. World Dairy Center Authority Executive Director Appointment
66. Surplus Dairy Products Distribution Program
67. Crisis Hotline Information in Milk Checks
68. Rusk County Fairground and Recreational Area Improvement Grant
69. Animal Health Laboratory Fees
70. Limits on Expenditure Authority
71. Meat Inspection Program Audit
72. Wisconsin Development Fund — Earmarks
73. Wisconsin Development Fund — Small Business Set-Aside
74. Wisconsin Development Fund — Criteria for Targeted Area Awards
75. Wisconsin Development Fund — Targeted Area Revolving Loan Fund Grants
76. Wisconsin Development Fund — Seed Capital Fund Program
77. Wisconsin Development Fund — Uniroyal Training
78. Wisconsin Development Fund — Biennial Finance Plan
79. Wisconsin Development Fund — Trade Secret Identification Requirement
80. Minority Business Development Fund Earmark
81. Women's Business Initiative Corporation Grant
82. Day Care Financing Programs
83. Nurse-Midwife Loan Assistance Program
84. Indian Business Development Programs
85. Commercial Fishing Compensation Program
86. Joint Effort Marketing
87. Tribal Community Relations Councils
88. Local Tourism Information Funding
89. Poniatowski Tourist Site Designation
90. Big Top Chautauqua Grants
91. Composition of the Council on Tourism
92. Economic Development Potential of the Arts
93. Legislative Council Study on Tourism
94. General Transportation Aid
95. Mass Transit Funding and Formula Changes
96. Milwaukee County Transit Surveillance
97. Light Rail Transit Studies
98. Southeastern Wisconsin Regional Planning Commission Land Use Study
99. Local Roads Improvement Program Contracting
100. Local Roads Improvement Program Feasibility Studies
101. Local Roads Improvement Program Funding Allocation
102. Local High Cost Bridge Projects
103. Legislative Council Study of Transit Alternatives
104. Earmark Interstate Cost Estimate Funds for Clean Air Act
105. Rhinelander-Oneida County Airport Expansion Study
106. Timmerman Field Instrument Landing System
107. Milwaukee Airport Promotion
108. Office of the Commissioner of Transportation
109. Railroad Crossing Improvement and Protection
110. Utility Relocation
111. Fringe Benefits Paid by Contractors
112. Grant to Town of Sanborn
113. East Wausau By-Pass Study
114. STH 145 Rehabilitation and Expansion
115. USH 14 Traffic Signals
116. Noise Barriers
117. Increase Overweight Truck Penalties
118. Mississippi River Parkway Commission
119. Personalized License Plates

A. Education

1. Early Alcohol and Drug Abuse Prevention Programs
Sections 300s, 2366p, 2374g, 2374m, 2374s and 9145 (8j)

Sections 300s and 2366p allocate \$50,000 GPR in each year of the 1991-93 biennium to Dane County Head Start to contract for an inter-agency specialist to coordinate statewide Head Start activities under 42 USC 9831 to 9852. I am vetoing these provisions because they set a bad precedent by replacing federal grant funding with

state general funds and encouraging other counties to seek state financing of similar positions. There are currently staff in the Departments of Public Instruction and Health and Social Services who can provide information to local Head Start agencies, and a federal regional office in Chicago for direct information regarding Head Start policies. This veto will produce lapses of \$50,000 GPR in fiscal years 1991-92 and 1992-93. I am requesting that the Department of Administration Secretary place into unallotted reserve \$50,000 GPR in appropriation s. 20.255 (2) (dm) in fiscal years 1991-92 and 1992-93 to lapse to the general fund.

I am also requesting that the Department of Administration Secretary place into unallotted reserve \$250,000 GPR in fiscal year 1991-92 and \$250,000 GPR in fiscal year 1992-93 in appropriation s. 20.255 (2) (dm) associated with the increase to the Head Start supplement under s. 115.361 (1). The allocations delineated under s. 115.361 (7) (a) were not increased in Assembly Bill 91 to reflect the additional supplement funds. Therefore, I am requesting the Department of Administration Secretary to release the \$250,000 in each fiscal year upon receipt of certification from the Department of Public Instruction that local Head Start agencies will use the funds to secure additional federal moneys. Local Head Start agencies will be permitted, under the modification included in section 2373m of the bill, to secure additional federal funds with the state supplement.

Sections 2374g and 9145 (8j) create a council for the Families and Schools Together (FAST) program and establish specific criteria for awarding FAST grants. I am vetoing section 2374g because there already exists a council under s. 115.36 to advise the department on issues related to school programs which prevent alcohol and other drug abuse among minors. I am also vetoing section 9145 (8j) because this would create a sole-source contract for the FAST program in the statutes. All eligible social service agencies should be permitted to collaborate with school boards regarding the implementation of FAST programs. Maintaining broad eligibility will ensure the delivery of high quality service in a cost-effective manner.

Section 2374m eliminates the requirement that early alcohol and drug abuse prevention grants for after-school and summer school programs be given to districts with higher than average drop-out rates. I am vetoing this section because funding for this program should be directed to the areas of greatest need.

Sections 300s and 2374s repeal the June 30, 1993, sunset date for the Early Alcohol and Drug Abuse Prevention Programs. I am vetoing these provisions because the sunset issue should be addressed as part of the 1993-95 biennial budget.

2. Aid to Milwaukee Public Schools

Sections 2437d, 2438m, 2446m, 2454m and 9345 (4j)

Section 2437d requires the Governor and the State Superintendent of Public Instruction to submit a fiscal year 1992-93 spending proposal for the Aid to Milwaukee Public Schools (MPS) appropriation to the Joint Committee on Finance. The Joint Committee on Finance is directed to approve, modify or deny the proposal. I am partially vetoing the provisions in section 2437d which authorize the Joint Committee on Finance and the appropriate legislative standing committees to modify or deny the proposed spending plan because no other school aid appropriation is subject to this type of review process. Under the veto, the Joint Committee on Finance will have 30 days to approve my plan for expending the funds.

Under section 2438m, funding of \$504,100 is earmarked in fiscal years 1991-92 and 1992-93 for alternative education programs for pupils sanctioned under the Learnfare program. I am vetoing the amount in fiscal year 1992-93 in order to provide flexibility in fashioning the spending plan for the Aid to MPS appropriation in fiscal year 1992-93.

Section 2438m also requires the Department of Public Instruction to submit a report to the Legislature by January 1, 1993, regarding the effectiveness of alternative education programs in reducing the number of pupils sanctioned under the Learnfare program and in improving school attendance rates. I am vetoing this provision because it duplicates a study already being done by the Department of Health and Social Services.

Sections 2446m, 2454m and 9345 (4j) allow 4- and 5-year-old pupils who attend day care centers under contract with MPS to be counted as members under the equalization formula, beginning with aids paid in the 1993-94 school year. I am vetoing these sections because this issue should be addressed as part of the 1993-95 biennial budget.

3. Pupil Mobility Aid

Section 9145 (6g)

Section 9145 (6g) establishes a grant program to assist school districts with attendance areas experiencing at least 30% pupil mobility during the school year. This program is unnecessary because of modifications elsewhere in the budget to the Pre-School to Grade 5 program which provide aid increases of \$2 million biennially (after partial veto) and allow schools to use up to 8% of each grant awarded for pupil mobility reduction efforts. Therefore, I am vetoing this provision and requesting that the Department of Administration Secretary place \$200,000 into unallotted reserve in fiscal year 1991-92 in appropriation s. 20.255 (1) (a) to lapse to the general fund.

The Milwaukee Public Schools, which would be the primary beneficiary of this program, currently receives

over \$310 million in state school aid, providing support for over 53% of costs. I urge the school district to pursue efforts at reducing pupil mobility through reallocations of current funding.

4. School-Based Management Grants to Milwaukee Public Schools

Sections 216 [as it relates to s. 20.255 (2) (ds)], 301m and 2438p

These sections allocate \$150,000 GPR in a biennial appropriation for grants to Milwaukee schools that adopt school-based management principles. I am vetoing these provisions and the \$150,000 GPR in fiscal year 1991-92 because school-based management should be the result of local efforts to reform education, not an outgrowth of state-imposed financial incentives. I fully support the efforts of the Milwaukee Public Schools to implement decentralized decision-making techniques in order to maximize parental and community involvement in the schools.

5. Adolescent Pregnancy Prevention Projects and Human Growth and Development Teacher Training

Sections 216 [as it relates to s. 20.255 (2) (fo) and (fq)], 305g, 305i, 2380t and 2399g

These provisions establish adolescent pregnancy prevention projects in Milwaukee middle schools beginning in 1991-92 and other school districts beginning in 1992-93. Funding of \$250,000 GPR is provided in fiscal year 1991-92 and \$400,000 GPR in fiscal year 1992-93, with \$250,000 allocated annually to the Milwaukee Public Schools. These provisions also include a human growth and development teacher training program, funded at \$75,000 GPR annually, to support training in human growth and development instruction.

I am vetoing these provisions because efforts at reducing adolescent pregnancies and providing training in human growth and development instruction are better addressed by community-based initiatives. Local initiatives will receive support in the budget through a new grant program, funded at \$396,000 GPR over the biennium, through the Adolescent Pregnancy Prevention and Pregnancy Services Board. These grants will be available to community-based agencies for prevention efforts which stress parental and community involvement.

While I am vetoing the statutory creation of and state funding for school-based programs, I remain committed to supporting community-based programs that include a parental consent and involvement component and promote abstinence, self-esteem development and good decision-making skills among adolescents as a means of reducing unintended pregnancies. In addition, this veto reflects my belief that this issue should receive more detailed consideration through separate legislation.

6. Milwaukee Public Schools Four-Year-Old Kindergarten Programs
Section 2427o

This provision requires that the Milwaukee Public Schools (MPS) maintains the enrollment level in 4-year-old kindergarten at not less than the 1990-91 school year level. I am vetoing this provision because, while this may be an educationally sound program, the decision to continue the program should be left to the MPS Board of School Directors and not required through unfunded state mandates.

7. Special Education under Chapter 220
Sections 2473g and 2473h

These sections require that school districts of attendance under the interdistrict transfer program (s. 121.85) receive permission from the school district of residence before performing special education screenings, developing individual education plans or placing pupils in special education classes. I am vetoing these sections because current law already attributes responsibility for performing these functions to the school district of residence. Districts participating in the interdistrict transfer program should seek to cooperate on these issues within the context of current law.

8. Pre-School to Grade 5 Grants

Sections 216 [as it relates to s. 20.255 (2) (do)], 2382d, 2382h, 2382p and 2382t

Sections 2382d, 2382h, 2382p and 2382t establish a special category for the Pre-School to Grade 5 (P-5) grant program to include programs in a school district with at least 2,000 low-income pupils and an equalized valuation per member that is less than 110% of the state average. These programs would have priority over all others, except those programs that received grants prior to August 9, 1989. I am vetoing these provisions because there are several school districts that have high concentrations of low-income pupils, but may not have over 2,000. These districts should have the same opportunity as other districts to compete for the additional P-5 funds.

Section 216 [as it relates to s. 20.255 (2) (do)] increases program funding by \$1,900,000 GPR in fiscal year 1991-92 and \$2,100,000 GPR in fiscal year 1992-93 over base. The increased funding would enable the program to expand to more schools. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the P-5 appropriation for these purposes was adopted by the Legislature during budget deliberations. While I support providing an increase to the program, a \$4,000,000 expansion over the biennium is excessive. By lining out the Department of Public Instruction's s. 20.255 (2) (do) appropriation and writing in a smaller amount which deletes \$2,000,000 of the \$4,000,000 increase, I am vetoing the part of the bill that increases this program. I am also requesting the Department of Administration Secretary not to allot these funds.

9. Family Involvement in Education Grants
*Sections 216 [as it relates to s. 20.255 (2) (bs)],
 300e and 2380m*

These sections create a grant program to support school district efforts in establishing various parent involvement strategies. I am vetoing the statutory creation of this program and the \$500,000 GPR in fiscal year 1991-92 for the program because parental involvement, while crucial to success in school, should be an integral part of a school district's program and not require categorical state aid. I urge school boards to use current resources in addition to seeking partnerships with local businesses and social service agencies.

As a result of this veto, I am requesting that the Department of Administration Secretary place into unallotted reserve \$58,000 GPR for 1.0 FTE position in fiscal year 1991-92 and \$68,500 GPR for 1.0 FTE position in fiscal year 1992-93 in appropriation s. 20.255 (1) (a) to lapse to the general fund. I am also requesting the Department of Administration Secretary to freeze the 1.0 FTE GPR position created to staff this program.

10. Alternative Compliance with School District Standards
Section 9145 (8k)

This provision directs the Department of Public Instruction (DPI) to submit recommended legislation by July 1, 1992, to the Joint Committee on Finance and the appropriate standing committees of the Legislature regarding methods for alternative compliance with the school district standards under s. 121.02 (1), excluding the requirements for teacher and administrator licensure under s. 121.02 (1) (a). DPI is also directed to submit a list and description of alternative methods for compliance with the standards which have been proposed by school boards.

I am vetoing the exemption of teacher and administrator licensure because all of the standards should be open to alternative compliance. I am also partially vetoing the requirement that DPI submit proposed legislation because legislation has already been submitted through separate bills and the budget process. This partial veto will instead require DPI to submit rules by July 1, 1992 to permit school boards to comply in an alternative manner with all of the school district standards under s. 121.02 (1). DPI should follow standard procedure and submit the proposed rules to the Legislative Council staff for review under s. 227.15 (1) of the statutes.

While I am encouraged by the willingness of legislators to study this issue, similar legislation has already been introduced (1991 Assembly Bill 365 and 1991 Senate Bill 168). In addition, my budget and DPI's proposed budget included statutory language for alternative compliance. I believe that the Legislature has sufficient information on this topic to proceed with alternative compliance legislation prior to July 1, 1992. While my veto recommends new rules based on existing law, I strongly

urge the Legislature to adopt broad alternative compliance legislation in the October 1991 floorperiod.

11. School Report Card
Section 2380

This section directs the State Superintendent of Public Instruction to develop school performance report cards for use by school districts. The report cards are to include indicators of academic and other types of performance, and other information requested by the State Superintendent on a school and school district basis. The report cards are to be sent home to parents with pupils by January 1 of each school year.

I am vetoing the reference to achievement tests under s. 121.02 (1) (s) because the data cannot be compared between schools or school districts. Tests and associated norms vary widely between school districts, resulting in diverse and unrelated scores. Only data provided by statewide examinations will provide useful information on the relative performance of schools and school districts. I am also vetoing the provision which allows the State Superintendent to mandate additional information because the proposed statutory language is very specific regarding the information to be included in the report card. Future modifications may be made through subsequent legislation. While the report cards are an important aspect of educational accountability, the Legislature's unwillingness to adopt meaningful educational assessment significantly weakens the impact of this proposal.

12. Annual Report on Educational Performance
Section 2367m

This section directs the Department of Public Instruction (DPI) to submit a report to the Legislature on the condition of education in the public schools. I am vetoing this provision because it accomplishes nothing beyond the information periodically provided by DPI in its newsletters, press releases and biennial report. This proposed report will be useful only when the Legislature enacts comprehensive education reforms.

13. Aid to Multitype Library Systems
*Sections 216 [as it relates to s. 20.255 (1) (ea)],
 294g, 1159n, 1159nd, 1159p, 1159q, 1159qm,
 1159qp, 1159qr, 1159qs, 1159qt, 1159qu, 1159qv,
 1159qw, 1159qx, 1159qy, 1159qz, 1159qzb,
 1159qzd, 1159t, 1159u and 9145 (9j)]*

These provisions create a multitype library system aid program in the Department of Public Instruction (DPI) and make modifications to the laws governing public library systems. Funding of \$180,200 GPR is provided in fiscal year 1991-92 and \$459,200 GPR in fiscal year 1992-93. I am vetoing the statutory creation of this program and state funding for the program because the state already provides aid to public library systems for cooperative efforts with other types of libraries. I am also partially vetoing section 9145 (9j) in order to require, through nonstatutory language, that DPI continue

allocating federal Library Services and Construction Act funds to support multitype library system projects on a statewide basis. This modification will ensure that federal library funds continue to provide some level of support to the cooperative efforts of public library systems and other types of libraries.

I am vetoing this program because the state currently provides aid to public library systems at a level which exceeds 12% of costs. Public library system aid is increased by 6.2% in fiscal year 1991-92. This is somewhat higher than the increase in direct state school aid. Public library systems, as a prerequisite of receiving state aid, must cooperate and continuously plan with other types of libraries in the public library system area for the purpose of reaching, "...agreements with those libraries for appropriate sharing of library resources to benefit the clientele of all libraries in the system area..." [s. 43.24 (2) (L)]. I urge public library systems to seek enhancements to service delivery within current resources.

14. Fishing Has No Boundaries

Sections 216 [as it relates to s. 20.255 (1) (ff)] and 294p

These provisions create an appropriation of \$15,000 GPR annually for the Fishing Has No Boundaries program operated by the Amerifish Corporation. I am vetoing these provisions because it is inappropriate that the program be under the jurisdiction of the Department of Public Instruction. I urge the Amerifish Corporation to seek grants from the Division of Tourism in the Department of Development. Such a request will receive my full support.

15. School Aid Hold-Harmless Provision

Sections 216 [as it relates to s. 20.255 (2) (ah)], 298m and 9145 (8h)

These sections provide a payment of \$32,100 GPR in fiscal year 1991-92 to the Birchwood School District due to changes made to the equalization aid formula in fiscal year 1990-91. The provisions included in 1989 Act 336, which allowed school district debt service costs to be fully aided under the formula, resulted in a reduction in equalization aid to the Birchwood School District. I am vetoing these provisions because they will establish a bad precedent for school districts to request modifications to the equalization aid formula whenever they experience reductions in state aid. The equalization aid formula is designed to encourage school districts to operate efficiently by providing disincentives to high spending. Furthermore, providing adjustments to every district which loses aid undermines the concept of equalization.

16. Community Education Grant Program

Sections 216 [as it relates to s. 20.255 (2) (ce)], 300i, 2380p and 2427

These provisions create a grant program funded at \$205,000 GPR in fiscal year 1992-93 to support the administrative costs of community education programs

that provide educational, recreational, social and cultural activities for school district residents. I am vetoing these provisions because this funding would be used to supplant local support for these programs. I support the full utilization of school buildings but believe local school districts should either seek user contributions or private sector resources or reallocate from existing funds.

17. Environmental Education Board

Sections 216 [as it relates to s. 20.255 (1) (cm) and (cp)] and 293r

Sections 216 [as it relates to s. 20.255 (1) (cp)] and 293r affect the funding for the Environmental Education Grant program by changing appropriation s. 20.255 (1) (cp) from annual to continuing. I am vetoing these provisions because most appropriations should remain annual in nature in order to establish a budget for the program each year and to maintain sufficient control over state finances.

Section 216 [as it relates to s. 20.255 (1) (cm)] is increased by \$62,000 GPR for 1.0 FTE GPR position in fiscal year 1991-92 and increased by \$62,000 GPR for 1.0 FTE GPR position in fiscal year 1992-93 in order to provide additional staff support to the Environmental Education Board (EEB). Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the EEB's appropriation for this purpose was adopted by the Legislature during budget deliberations. I object to providing an additional position for the EEB since there currently exists a 0.5 FTE GPR staff position and 1.0 FTE environmental education consultant position in the Department of Public Instruction (DPI). Using limited taxpayer dollars for this purpose is excessive. By lining out DPI's s. 20.255 (1) (cm) appropriation and writing in a smaller amount that deletes the \$62,000 annually for this purpose, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

18. Science, Mathematics and Technology Grants

Section 2380b

This section modifies the existing grant criteria by repealing the program which pays the salary of scientists, engineers or mathematicians who assist teachers and offer demonstrations and in-service training. This program is replaced with an interdisciplinary summer program which involves at least five school districts, an institution of higher education and a private organization. I am vetoing this section because it is extremely limiting compared to current law.

19. Certification of Athletic Associations

Sections 2367r, 2427 and 9445 (2g)

These provisions require the State Superintendent of Public Instruction to certify any athletic association to which a public school belongs and make the admission of private schools into the association a certification

requirement. I am vetoing these provisions. I vetoed similar provisions in the budget four years ago. At that time I asked the WIAA and WISAA to discuss this question and to work cooperatively to recommend modifications to the current structure. While progress has been made, such as allowing private schools to participate in public school conferences, more could still be done. Both the WIAA and WISAA have assured me that they will work cooperatively together and with the School Boards Association, the School District Administrators Association and the Principals Association this coming fall and spring to allow private schools to participate in WIAA sanctioned tournaments on a trial basis. WISAA members have requested participation in WIAA tournaments in boys ice hockey, boys and girls swimming and diving and girls golfing. WISAA does not offer sanctioned tournaments in these sports. If this modification is approved by the WIAA membership, certain WISAA teams could begin to participate in WIAA tournaments as early as the 1992-93 school year.

20. Driver Education Aid
Section 2467mn

This provision provides a 100% increase (from \$50 to \$100 per student) in the state reimbursement rate for driver education courses, paid from the state's transportation fund. I am vetoing this provision because it represents an unreasonably large increase in aid to driver education programs. As a result of this veto, I am requesting that the Department of Administration Secretary place into unallotted reserve \$2,514,600 SEG in fiscal year 1991-92 and \$2,373,400 SEG in fiscal year 1992-93 in appropriation s. 20.255 (2) (r) to lapse to the transportation fund.

School districts that are experiencing uncontrollable costs in driver education classes should seek other means of offering the courses. The Legislature could also provide relief by allowing school districts to contract with private vendors or private-practice teachers for these services.

21. State Aid for Advanced Placement Exams
Sections 216 [as it relates to s. 20.255 (1) (fd) and (2) (ap)], 294n, 299g and 2363m

These provisions create two appropriations to reimburse public high school students (\$108,000 GPR annually) and private high school students (\$17,000 GPR annually) who take advanced placement (AP) exams. The state would reimburse 25% of the \$65 cost of the exam. I am vetoing these provisions because they set the bad precedent of providing state support for optional exams. Students who do not have access to AP programs will be able to gain advanced standing in college through the postsecondary enrollment options program.

It is not clear that this program would appreciably improve the state's relative ranking in national AP exam participation. Furthermore, participation may have been discouraged by the past practice of some University

of Wisconsin System (UWS) institutions to not accept AP exams for college credit. The recent UWS Board of Regents resolution to require all UWS campuses to accept AP exams for credit by September 1, 1992, may be more effective at increasing program participation than a 25% state reimbursement.

22. Primary Cost Ceiling
Sections 1901y and 2459d

These provisions establish the primary cost ceiling under the equalization formula. The primary cost ceiling is the highest cost per member which the state will share for equalization purposes, based on the inverse ratio of a local school district's equalized valuation per member to the primary guaranteed valuation per member. The ceiling is set at \$4,965 in fiscal year 1991-92 and will increase at the rate of inflation, based on the Consumer Price Index for All Urban Consumers, in fiscal year 1992-93 and each year thereafter.

I am partially vetoing the provisions which direct the Department of Revenue to certify a rate of adjustment for the primary cost ceiling and which increase the primary cost ceiling based on that rate because the ceiling for future biennia should be established in each biennial budget.

23. Consolidation Planning Grant and School Aid Hold-Harmless
Section 2366s

This section provides a grant of \$25,000 GPR in the 1991-92 school year to two school districts, if at least one of the school districts received no state aid under s. 121.08 in the 1990-91 school year and the two school boards established a committee to study the feasibility of consolidating the two school districts prior to June 1, 1991. This section also includes a 95% school aid hold-harmless provision in school years 1996-97 and 1997-98 for the consolidated school district if the school boards of the two school districts have consolidated by July 1, 1994.

I am vetoing the hold-harmless provision because there are a number of hold-harmless provisions and other incentives in current law for consolidating school districts. Benefits to consolidating school districts include a 5% increase in the primary cost ceiling and the primary guaranteed valuation per member for three years after consolidation, and the 100% and 85% hold-harmless provisions under the special adjustment aid statute [s. 121.105 (2) (a) and (3)].

24. Tech-Prep Council
Section 2424p

This provision requires each school district to establish a Technical Preparation program in cooperation with the local Vocational, Technical and Adult Education (VTAE) district. This section also establishes a Technical Preparation Council to coordinate the creation of technical preparation programs. I am partially vetoing this provision to remove the specified

appointment of this council. I am making this change to provide the local VTAE district directors with the flexibility to appoint councils that best represent their local situations.

25. State Aids for Postsecondary Enrollment Options Tuition

Sections 216 [as it relates to s. 20.255 (2) (eo)], 303p and 2425 [as it relates to s. 118.37 (7r) and (9)]

These provisions create a \$1,000,000 GPR appropriation beginning in fiscal year 1992-93, for school districts to apply for state tuition reimbursement based on the payments made to postsecondary institutions as part of the postsecondary enrollment options program. The amount of state aids received by an individual school district would be established by the State Superintendent of Public Instruction and would be prorated if the appropriation is insufficient to cover the actual tuition cost in any given year. I am vetoing section 303p and partially vetoing sections 216 and 2425 because this aid duplicates the general state aid already received by the school districts.

26. Postsecondary Enrollment Options Comparability Requirement

Section 2425 [as it relates to the comparability requirements]

A provision in section 2425 directs that when the number of high school students attending a specific course under the postsecondary enrollment options program reaches the school boards minimum required enrollment for a comparable school district course, the school district must offer the course in the following school year. I am vetoing this provision because vocational education can be costly, and the school district may not always be able to offer a similar course in a cost-effective manner, especially when it is already available at a postsecondary institution.

In addition, provisions in section 2425 require that a student is responsible for the tuition and fees of postsecondary education programs that are considered comparable by the school board. I am vetoing these provisions because postsecondary enrollment options work best when there is broad access to programs on the part of high school students. A comparability determination by school boards may hinder high school students from taking advantage of this opportunity.

27. Education for Employment Standards

Section 2448t

This provision modifies the education for employment standard to add the requirement for schools to offer alternative routes to occupational programs, including job preparation, technical preparation and college preparation. I am vetoing this provision because it is an unfunded mandate. It is unclear what would be gained by this additional requirement. It would seem that the essential requirements for these programs are already in

place. Current law already requires schools to provide access to education for employment program. Furthermore, this budget bill contains major new program initiatives such as the technical preparation program, postsecondary enrollment options and youth apprenticeship to improve the job readiness of high school graduates.

28. Vocational Organization Support and Tech-Prep Curriculum Support

Sections 216 [as it relates to s. 20.255 (1) (a)] and 2366

Vocational Organization Support. Section 216 [as it relates to s. 20.255 (1) (a)] provides \$287,100 GPR in fiscal year 1991-92 and in fiscal year 1992-93 to support 5.0 new GPR positions. These positions are to assist local school district vocational education programs and student vocational organizations. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the Department of Public Instruction's (DPI) general program operations appropriation for this purpose was included during the legislative budget deliberations.

While I support DPI's role in assisting student vocational organizations and understand the need for additional staff support, I object to this increased funding because it is excessive. By lining out DPI's s. 20.255 (1) (a) appropriation and writing in a smaller amount that deletes \$172,300 GPR provided to 3.0 of the 5.0 GPR positions, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds. One of the two remaining positions will assist school districts in the implementation of the youth apprenticeship program created by this bill. The other position will provide DPI with some added flexibility in assisting school districts' vocational student organizations.

Section 2366 specifies the number of consultants that are to be assigned by DPI to each of the five vocational education areas. I am sensitive to the importance that student organizations play in the overall educational experience of high school students. For that reason, I am partially vetoing this section to provide DPI with the flexibility to determine how consultants should be assigned, but I am retaining the vocational education subject areas for which DPI is required to assist school districts.

Tech-Prep Curriculum Development. Section 216 [as it relates to s. 20.255 (1) (a)] also provides \$42,000 GPR in fiscal year 1991-92 and in fiscal year 1992-93 for the development of a new state curriculum for the technical preparation program. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the Department of Public Instruction's (DPI) general program operations appropriation for this purpose was included during legislative budget deliberations.

I object to this funding increase because it is excessive. The development of model curricula is an ongoing function of DPI. Additional funding should not be necessary. In addition, DPI, in cooperation with the State Board of Vocational, Technical and Adult Education, has used federal funds to establish pilot projects in the area of technical preparation programs. By lining out DPI's s. 20.255 (1) (a) appropriation and writing in a smaller amount that deletes the \$42,000 for this purpose, I am vetoing the part of the bill which funds this program. I am also requesting the Department of Administration Secretary not to allot these funds.

29. Employer Health Insurance Contributions
Sections 1152e, 1152f, 1154L, 1154Ld and 1154u

Under these provisions, University of Wisconsin System (UWS) faculty, academic staff and certain other UWS teachers who are employed in positions covered under the Wisconsin Retirement System would be eligible for the employer's contribution toward health insurance premiums immediately upon beginning employment. Currently, eligibility is attained after six months. I am vetoing these provisions because employer costs of health insurance are rising dramatically and I am concerned about the fiscal impact of these changes.

30. Approval of Minority Student Aid Awards
Section 9157 (3j)

This provision directs the Board of Regents of the University of Wisconsin System (UWS) to submit a report to the Joint Committee on Finance (JCF) on the distribution of awards for the Advanced Opportunity Program. The provision also prevents UWS from spending \$425,100 in fiscal year 1992-93 without JCF approval of the report. I am partially vetoing this provision in order to remove the JCF approval requirement, because I do not want to delay the issuance of grant awards to minority students. However, I approve the requirement to submit a distribution report and I request the UWS to do this in a timely fashion.

31. Bear and Deer Population Research
Sections 216 [as it relates to s. 20.285 (1) (b)], 309m and 1084m

These provisions provide \$62,400 GPR in fiscal year 1991-92 and in fiscal year 1992-93 to establish a research program on the interactions between biodiversity, forest fragmentation, white-tailed deer and black bear populations in northern Wisconsin. I am vetoing the provisions because the program was not a priority item in the University of Wisconsin System budget. If it becomes a priority, it can be funded through reallocation of base funds or from another funding source.

32. Nurse-Midwifery Education Study
Section 9157 (2g)

This provision creates a study committee to evaluate the development of a master's degree program in nurse-midwifery, and provides funds for committee expenses. I am vetoing this provision because I believe the Board of

Regents of the University of Wisconsin System currently has the authority to create a study committee. If the Board of Regents chooses to create such a committee, the costs should be paid through use of base funds.

I am requesting the Department of Administration Secretary to place \$37,300 GPR in s. 20.285 (1) (a) in unallotted reserve in fiscal year 1991-92 to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this item when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

33. Fees for Resident Students Over Age 62
Sections 1087g and 1087h

These sections direct the Board of Regents of the University of Wisconsin System to allow residents of this state who are at least 62 years old to audit courses at no charge. I am vetoing the provision because the Board of Regents, which is responsible for overseeing university operations, has determined that this student group should get a discount of 70% of the normal course fee.

34. Study of Faculty Salary Structure
Section 9121 (4g)

This provision directs the Department of Employment Relations to study the salary structure for University of Wisconsin System faculty and submit a report to the Legislature by July 1, 1992. I am vetoing the provision because I believe the department should determine whether such a study is necessary and should set its own timetable for analysis of the issue.

35. Fee Structure at University of Wisconsin Recreational Facilities
Section 1093m

This provision restricts the number of allowable fee levels at the new University Ridge Golf Course, Camp Randall Memorial Sports Center and Nielsen Tennis Stadium. I am partially vetoing the provision to make the restriction apply only to the new University Ridge Golf Course. The current fee structures at the Camp Randall Memorial Sports Center and the Nielsen Tennis Stadium have well served the needs of the university community and should remain intact.

36. UW General Program Operations and Academic Student Fees Appropriations
Sections 216 [as it relates to s. 20.285 (1) (a) for fiscal year 1991-92 and (im), Center on Wisconsin Strategy, Center for Economic Development, Law School Prosecution Program, Study of Homicide and Child Care Proposals Fund] and 9157 (1g)

Center on Wisconsin Strategy. Section 216 [as it applies to s. 20.285 (1) (a)] provides \$130,000 GPR in fiscal year 1991-92 and \$130,000 GPR in fiscal year 1992-93 to increase funding to the Center on Wisconsin Strategy at the University of Wisconsin-Madison. Funds would be

used for studies on social/economic policy and technology transfer and training for industry. Although there is no language in the budget bill authorizing this increase, the purpose of the funding was included in a Joint Committee on Finance budget motion.

I object to expanding this program with additional GPR funds. Although the proposed studies may have merit, the proposal was not part of the original Board of Regents' budget submittal and was not identified as a priority item by the Board.

By lining out the University of Wisconsin's s. 20.285 (1) (a) appropriation for fiscal year 1991-92 and writing in a smaller amount that deletes the \$130,000 for this purpose, I am vetoing the part of the bill which funds this provision in that fiscal year. I am also requesting the Department of Administration Secretary not to allot these funds. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

Center for Economic Development. Section 216 [as it applies to s. 20.285 (1) (a)] provides \$70,000 GPR in fiscal year 1991-92 and \$75,000 GPR in fiscal year 1992-93 to increase funding to the Center for Economic Development at University of Wisconsin-Milwaukee for research and technical assistance relating to neighborhood economic development problems. Although there is no language in the budget bill authorizing this increase, the purpose of the funding was included in a Joint Committee on Finance budget motion.

Providing increased GPR support to this program at a time of fiscal constraint is unwise and I object to this provision. Furthermore, the proposal was not part of the original Board of Regents' budget submittal and was not identified as a priority item by the Board.

By lining out the University of Wisconsin's s. 20.285 (1) (a) appropriation for fiscal year 1991-92 and writing in a smaller amount that deletes the \$70,000 for this purpose, I am vetoing the part of the bill which funds this provision in that fiscal year. I am also requesting the Department of Administration Secretary not to allot these funds. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

Law School Prosecution Program. Section 216 [as it applies to s. 20.285 (1) (a)] provides \$44,500 GPR in fiscal year 1991-92 and \$67,000 GPR in fiscal year 1992-93 to increase funding to a prosecution program at the UW-Madison Law School. Although there is no language in the budget bill authorizing this increase, the

purpose of the funding was included in a Joint Committee on Finance budget motion.

Expanding this program at a time of fiscal constraint is unwise and I object to this provision. Furthermore, the proposal was not part of the original Board of Regents' budget submittal and was not identified as a priority item by the Board.

By lining out the University of Wisconsin's s. 20.285 (1) (a) appropriation for fiscal year 1991-92 and writing in a smaller amount that deletes the \$44,500 for this purpose, I am vetoing the part of the bill which funds this provision in that fiscal year. I am also requesting the Department of Administration Secretary not to allot these funds. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

Study of Homicide. Section 216 [as it applies to s. 20.285 (1) (a)] provides \$25,000 GPR in fiscal year 1991-92 and \$25,000 GPR in fiscal year 1992-93 to the University of Wisconsin-Milwaukee to conduct research on methods of reducing homicide rates. Although section 9157 (1g) of the bill specifies only the content of and process for the study, an amendment to provide this funding to the University of Wisconsin System general program operations appropriation for this purpose was adopted by the Legislature during budget deliberations.

I object to providing additional GPR dollars to fund this study. Furthermore, the proposal was not part of the original Board of Regents' budget submittal and was not identified as a priority item by the Board. However, I have asked the Office of Justice Assistance to review this proposal for possible funding in the 1991-93 biennium.

By lining out section 9157 (1g) and the University of Wisconsin System s. 20.285 (1) (a) appropriation for fiscal year 1991-92 and writing in a smaller amount that deletes the \$25,000 for this purpose, I am vetoing the part of the bill which funds this provision in that fiscal year. I am also requesting the Department of Administration Secretary not to allot these funds. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

Child Care Proposals Fund. Section 216 [as it applies to s. 20.285 (1) (a) and (im)] provides \$48,800 GPR and \$26,200 PR-O in fiscal year 1991-92 and in fiscal year 1992-93 to create a competitive fund which would support proposals to develop models and develop the means for child care services at University of Wisconsin institutions. There is no language in the bill on this item, but an amendment to provide this funding to the University of Wisconsin System general program

operations appropriation for this purpose was adopted by the Legislature during budget deliberations.

I object to the use of new GPR and student fees funds for this purpose at a time of fiscal constraint and competing priority needs. By lining out the University of Wisconsin System s. 20.285 (1) (a) appropriation for fiscal year 1991-92 and writing in a smaller amount that deletes the \$48,800 GPR for this purpose and by lining out the s. 20.285 (1) (im) appropriation and writing in a smaller amount that deletes \$26,200 PR-O each year, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds. In addition, the second year funding for the GPR appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

37. Engineering and Technology Program Improvements
Section 9157 (5i)

This provision requires Joint Committee on Finance (JCF) approval of the proposed University of Wisconsin System (UWS) spending plan for various improvements in engineering and technology programs, prior to the release of funding provided in Assembly Bill 91. I am partially vetoing this section to eliminate the JCF approval requirement, because I believe the Board of Regents should have the authority to make engineering and technology funding allocations among its institutions. I am, however, retaining language to require the UWS to report its spending plan to JCF and I request that it be done as soon as the plan is developed.

38. University of Wisconsin System Base Resources Report
Section 1094g

This provision requires the University of Wisconsin System Board of Regents to submit to the Joint Committee on Finance (JCF), for its approval, an annual report on the proposed use of base resources and staff vacancies available from enrollment management reductions. I am partially vetoing this provision to eliminate the JCF approval requirement, because I believe that the Board of Regents should have the authority to make internal salary reallocations from base resources.

However, I am retaining language to require the Board of Regents to submit an annual base resources report to the JCF, and I am requesting that a copy be forwarded to the Department of Administration.

39. Leopold Professorship of Restoration Ecology
Section 1086m

This provision directs the Board of Regents of the University of Wisconsin System to establish a Leopold Professorship of Restoration Ecology at the University

of Wisconsin-Madison. Establishing a new professorship with the expectation of ongoing funding at a time of fiscal constraint is unwise and I object to this provision. I am vetoing the provision because the professorship was not a priority item in the University of Wisconsin System budget. If this item becomes a priority for the University of Wisconsin-Madison, it can be funded through reallocation of base funds or another funding source.

In addition, the appropriation which contains fiscal year 1992-93 funding for this item is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

40. Incentive Grants

Section 216 [as it relates to s. 20.292 (1) (dc) for fiscal year 1991-92] and 315m

These provisions alter the Vocational, Technical and Adult Education (VTAE) Incentive Grants appropriation from a continuing appropriation to an annual appropriation. I am vetoing these provisions because the State VTAE Board needs to have the flexibility to administer these grants in the best interest of the state VTAE system.

41. College for Kids

Section 216 [as it relates to s. 20.292 (1) (ck)], 314m, 1098m and 1115

These provisions create a \$200,000 GPR annual grant program exclusively for the Milwaukee Area Technical College. The purpose of the program is to expose third to eighth grade pupils to specially designed vocational education programs. I am vetoing these provisions because this grant program increases state expenditures while, in large part, duplicating existing programs. The Minority Pre-College Scholarship program administered by the Department of Public Instruction is intended to fund program opportunities identical to this one.

42. Lakeshore Hazardous Material Center

Section 216 [as it relates to s. 20.292 (1) (a)]

Section 216 [as it relates to s. 20.292 (1) (a)] provides \$100,000 GPR in fiscal year 1991-92 for the construction of the Lakeshore Hazardous Material Center. Although there is no language in the budget bill that authorizes this increase, the purpose of this funding was included in a Joint Committee on Finance budget motion.

I object to this increase in funding because it is excessive. The construction costs of Vocational, Technical and Adult Education (VTAE) District facilities are already supported by state GPR, through the state aids formula. By lining out the state VTAE board's s. 20.292 (1) (a) appropriation and writing in a smaller amount that deletes the \$100,000 GPR provided for this purpose in fiscal year 1991-92, I am vetoing the part of the bill which funds this provision. I am also requesting the

Department of Administration Secretary not to allot these funds.

43. Educational Services to Business
Section 1101m

This provision allows Vocational, Technical and Adult Education (VTAE) districts to enter into contracts to provide educational services to public and private institutions. This provision also requires VTAE districts to recover the full cost of the contracted activity, including direct and indirect costs. I am partially vetoing this section to remove the requirement for full cost recovery on the part of VTAE districts.

I have made these changes because under s. 38.001 (2) (b) the VTAE system has the mission of fostering economic development and expanding employment opportunities. I am concerned that the requirement to recover the full cost of the educational and training services may make the valuable services provided by the VTAE system financially prohibitive to many small and medium size firms in the state. The small and medium size firms are often the most in need of VTAE assistance in order to remain economically viable or to expand. This provision would damage the economic development options of local communities and could reduce employment opportunities for the citizens of Wisconsin.

44. GPR support for Educational Approval Board
Sections 216 [as it relates to s. 20.292 (2) (a)] and 322k

These provisions provide state \$50,000 GPR in fiscal year 1991-92 and \$75,000 GPR in fiscal year 1992-93 to support the Educational Approval Board (EAB). I am vetoing these provisions because operational support for the EAB is currently provided by the fees collected from the schools it regulates. To the extent possible, a regulatory agency should be supported by those it regulates. Other statutory provisions in this budget expand the authority of the EAB to set fees and expand collections. The anticipated revenue from these revised statutes should permit the EAB to cover its operational expenditures.

45. Emergency Retraining Grants
Sections 216 [as it relates to s. 20.292 (2) (c)], 322m and 9159 (4w)

These provisions provide \$150,000 GPR in fiscal year 1991-92 for grant assistance to the students of the Technology Institute of Milwaukee which closed in 1990. Grants are to be made available to students by the Educational Approval Board to permit the students to continue their training at other institutions. I am vetoing these provisions because this practice would set a bad precedent by having the state assume financial responsibility for the debts of a private corporation.

46. Historic Sites Fee Reduction
Section 1164m

This section requires the State Historical Society (SHS) to reduce the admission fees, beginning on January 1, 1993, at Old World Wisconsin and all other sites. I am vetoing this section to provide the SHS with the flexibility to set fees at the sites on the basis of market conditions and attendance levels.

I am also requesting the Department of Administration Secretary to place into unallotted reserve to lapse to the general fund the following amounts associated with the transfer of positions from PR-O to GPR, allocated for this purpose, in fiscal year 1991-92: s. 20.245 (2) (bd) \$15,600; (be) \$18,200; (bf) \$36,400; (bg) \$28,600; (bh) \$13,000; and (bi) \$148,200. In fiscal year 1992-93: s. 20.245 (2) (bd) \$31,200; (be) \$36,400; (bf) \$72,800; (bg) \$57,200; (bh) \$26,000; and (bi) \$296,400. The transfer of these positions results in an increase of state GPR expenditures that is, in large part, unnecessary. Attendance at the SHS sites across the state has showed a steady increase in the last several years. The program revenue generated by the sites has been sufficient to support these positions.

I am also requesting the SHS to submit a request under s. 16.505 to the Department of Administration to establish the PR-O position and funding authority that was transferred to GPR by the Legislature.

47. Museums General Program Operations Appropriations
Section 216 [as it relates to s. 20.245 (5) (a)]

Northwest Outdoor Museum. This provision increases funding to the State Historical Society (SHS) by \$25,000 GPR in fiscal year 1991-92 and in fiscal year 1992-93 for the presentation of school programs relating to the interaction of Chippewa and European cultures. Although there is no language in the budget bill that authorizes this increase, the purpose of this funding was included in a Joint Committee on Finance budget motion.

I object to the continued support of this project because funding was approved in the 1989-91 biennial budget on a one-time only basis. Guaranteeing continued state support for projects funded on a one-time basis sets a bad precedent and at a minimum should not be provided without a formal review of the project. By lining out the SHS's s. 20.245 (5) (a) appropriation and writing in a smaller amount that deletes the \$25,000 GPR in each fiscal year for this purpose, I am vetoing the part of the bill which funds this program. I am also requesting the Department of Administration Secretary not to allot these funds.

Northern Wisconsin Interpretive Center. This provision provides \$15,000 GPR in fiscal year 1991-92 and \$10,000 GPR in fiscal year 1992-93 for the support of the Northern Wisconsin Interpretive Center. Although there is no language in the budget bill that authorizes this

increase, the purpose of this funding was included in a Joint Committee on Finance budget motion.

In general, I object to the continued support of projects which have been funded on a one-time only basis. Continued state support for projects funded on a one-time basis sets a bad precedent, and at a minimum, should not be provided without a formal review of the project. However, if additional resources are warranted, the Northern Wisconsin Interpretive Center should apply for funding from the Division of Tourism in the Department of Development. By lining out the State Historical Society's s. 20.245 (5) (a) appropriation and writing in a smaller amount that deletes the \$25,000 for this purpose, I am vetoing the part of the bill which funds this program. I am also requesting the Department of Administration Secretary not to allot these funds.

48. Southport Lighthouse
Section 9127 (2g)

This provision provides \$25,000 GPR to support restoration of the Southport Lighthouse in Kenosha. I am vetoing this provision because support for projects of this type should be directed within the existing grant structure of the State Historical Society (SHS).

I am requesting the Department of Administration Secretary to place \$25,000 GPR into unallotted reserve in fiscal year 1991-92 in appropriation s. 20.245 (4) (a) allocated for this purpose, to lapse to the general fund.

49. Hans Christian Heg Statue
Section 216 [as it relates to s. 20.245 (4) (a)]

This provision provides \$10,000 GPR in fiscal year 1991-92 for the restoration of the Hans Christian Heg statue at Wind Lake, in Racine County. Although there is no language in the budget bill that authorizes this increase, the purpose of this funding was included in a Joint Committee on Finance budget motion.

I object to increased funding authorized by this provision because funding this project is excessive, particularly at a time when the state financial situation requires the setting of priorities for state funding support. By lining out the State Historical Society's s. 20.245 (4) (a) appropriation and writing in a smaller amount that deletes the \$10,000 for this purpose, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

50. Old Wade House Collections Manager
Section 216 [as it relates to s. 20.245 (2) (bg)]

This provision provides \$40,000 GPR in each year of the 1991-93 biennium for a full-time collections manager at the Old Wade House site. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the State Historical Society's historic sites appropriation for this purpose was included during the legislative budget deliberations.

I object to this additional position authority because it increases state expenditures without any analysis of the need for the position. In addition, it was not part of the State Historical Society's original budget request. By lining out the State Historical Society's s. 20.245 (2) (bg) appropriation and writing in a smaller amount that deletes the \$40,000 GPR provided for this purpose each year, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

51. Madeline Island Outreach Coordinator
Section 216 [as it relates to s. 20.245 (2) (bh)]

This provision provides \$19,000 GPR and 1.0 FTE position in fiscal year 1992-93 for additional position authority for a full time outreach coordinator at the Madeline Island historic site. Although there is no language in the budget bill that authorizes this position, the purpose of this funding was included in a Joint Committee on Finance budget motion.

I object to this additional position authority because it increases state expenditures without any analysis of the need for the position. More analysis is needed of the merits, costs and benefits of this additional position. By lining out the State Historical Society's s. 20.245 (2) (bh) appropriation and writing in a smaller amount that deletes the \$19,000 GPR in fiscal year 1992-93, I am vetoing the part of the bill which funds this program. I am also requesting the Department of Administration Secretary not to allot these funds.

52. Transfer of State Parks
Sections 816w, 1164b, 1164c, 1164d, 1164kd, 1164ke, 1164kg, 1164p, 9142 (13zn) and (13zo), 9427 (2x) and 9442 (13zp)

These provisions transfer ownership of Nelson Dewey, First Capitol, and Aztalan state parks from the Department of Natural Resources (DNR) to the State Historical Society (SHS), effective July 1, 1993. In addition, these provisions provide for the SHS and DNR to prepare a joint plan for the transfer of the three state parks. The report is to be issued to the Governor and to each house of the Legislature on or before July 1, 1992. I am vetoing sections 816w, 1164b, 1164c, 1164d, 1164kd, 1164kg and 1164p and partially vetoing sections 1164ke, 9142(13zn) and (13zo), 9427 (2x) and 9442 (13zp) to require only the transfer of First Capitol state park because the First Capitol is most clearly a historic site and should be administered by the State Historical Society.

I am vetoing the transfer of the other two parks because I am concerned that the transfer of these other properties requires additional planning and coordination between the two agencies. The transfer of the First Capitol is intended to start this process. The transfer of other properties as recommended by the Public Policy Committee for the Wisconsin Trust for Historic Preservation can occur if the two agencies can agree

upon the cost and terms of the transfer. The actual transfer can occur through the s. 13.10 process.

53. Humanities Grants

Sections 216 [as it relates to s. 20.245 (4) (f)] and 1163r

These provisions provide \$50,000 GPR in fiscal year 1991-92 in a biennial appropriation for the continuing support of the Wisconsin Humanities Council. The funds are intended to be used to match federal National Endowment for the Humanities (NEH) funds for grants to local institutions involved in humanities and regional history projects. While these grants support many interesting and worthwhile local activities, I am vetoing these provisions because any state match for the NEH funds should come from the local and regional organizations that are the beneficiaries of these grants.

54. Heritage Arts Tourism

Sections 216 [as it relates to s. 20.245 (4) (fm)], 290g and 1164jm

These provisions create a new appropriation, funded at \$50,000 GPR in fiscal year 1991-92 and in fiscal year 1992-93 for a grant program to develop historic sites related to Wisconsin artists and authors. I am vetoing these provisions because the separate creation of historic sites solely related to artists and authors is unnecessary and duplicative of existing efforts by both the Wisconsin Arts Board and the State Historical Society.

55. Historic Markers

Sections 216 [as it relates to s. 20.245 (3) (b), (c) and (d)], 290c, 290e, 290f, 1162d, 1164e, 1164f, 1164g, 1164h, 1164i, 1164j and 9127 (2x)

These provisions expand the Historical Markers program of the State Historical Society (SHS) to include \$25,000 GPR in fiscal year 1991-92 and \$35,000 GPR in fiscal year 1992-93 for 1.0 FTE position to administer the program and for cost sharing grants for the placement of markers. These provisions also require the SHS to develop and publicize a statewide uniform system for the markers and plaques and also publish a book listing locations and text of all markers in the state. I am vetoing these sections because they increase state expenditures at a time when the state financial situation requires the setting of priorities for state funding support. I am also concerned that the expanded focus of this program will result in a demand for increased GPR support in future biennia.

I have not vetoed the expanded representation of the Historical Markers Council, because it provides for a broader view of historic significance on the Council.

I am requesting the Department of Administration Secretary to place in unallotted reserve the \$25,000 GPR in fiscal years 1991-92 and the \$35,000 GPR in fiscal year 1992-93, allocated for this purpose, in s. 20.245 (3) (b), to lapse to the general fund.

56. Submerged Cultural Resources Council and Program

Sections 97x, 833L, 1165b, 1165c, 1165d, 1165f, 1165g and 9127 (2q)

These provisions create a Submerged Cultural Resources Council and Program in the State Historical Society (SHS). These provisions also grant SHS the authority to designate submerged cultural resources to be preserved and protected, and permit the enforcement by the Department of Natural Resources. In addition, penalties for the violation of areas designated as preserves are established. I am vetoing these provisions because they constitute a significant expansion of authority and responsibility for the SHS. The limited resources that are available should first be used to ensure the proper support and maintenance of existing historic sites and facilities. I am also concerned that the expanded focus of this program will result in a demand for increased GPR support in future biennia.

57. Historic Preservation Ordinance

Sections 1626m and 1647m

Under current law, cities, villages and towns may, at their discretion, enact historic preservation ordinances. These provisions require cities, villages and counties to enact historic preservation ordinances by no later than January 1, 1993. While I endorse and encourage cities, villages and counties to preserve and protect historic sites, I am vetoing these provisions because they create an unfunded state mandate for these governmental units. I am retaining the provision requiring the State Historical Society to distribute a model historic preservation ordinance to all cities, villages and towns by January 1, 1992.

58. Unauthorized Demolition of Historic Buildings

Section 3595c

Section 3595c provides a definition of historic building and makes the intentional destruction of a historic building a Class E felony. I am vetoing this section because it is unnecessary. Penalties for the destruction of property, regardless of its historic designation, are already provided in ss. 943.01 and 943.012.

59. Educational Communications Board Duties

Section 1133c

This provision expands the duties of the Educational Communications Board (ECB) relating to distance education projects to include the setting of regional standards, the initiating of network projects and the overseeing and coordinating of distance education projects. I have partially vetoed this provision to limit the role of ECB to the coordination of distance education projects.

I have made these changes because distance education projects need to be initiated and controlled by the local entities that will be the ultimate users of the services. The role of the state, as carried out by ECB, should be limited to coordinating projects to ensure that technical

standards and their interconnections are consistent across the networks maintained by schools and other educational institutions.

60. Wisconsin Public Broadcasting Foundation
Section 1135c

This provision requires the Wisconsin Public Broadcasting Foundation to donate to the state any property that it acquires in the future. I am partially vetoing this section to require the Foundation to donate all current and future property it holds to the state.

I have made this change because the ownership of property by the Wisconsin Public Broadcasting Foundation has little relation to the Foundation's status as a nonprofit entity established for fund-raising purposes and does not add to the foundation's attractiveness as a taxexempt charitable organization. In addition, the acquisition of buildings by the Foundation has resulted in several management issues that were recently raised by the Legislative Audit Bureau study of the Educational Communications Board. In particular, the ownership of buildings by the foundation created a situation where state general purpose revenue is being used to pay for a privately-owned building and state employes are being used to make improvements to the building.

My partial veto is intended to clarify a situation that is prohibited elsewhere in state government. I am requesting that the Educational Communications Board, the Wisconsin Public Broadcasting Foundation and the Department of Administration work together for an orderly transfer of Foundation property by no later than January 1, 1992.

61. WHA-TV Representative on the Council on Public Television
Section 96m

This provision requires the Council on Public Television to include a representative of the WHA-TV support group on the council and expands the council size from five to six members. I am vetoing this section to maintain the current size and representation of the Council on Public Television. Current law provides the option of appointing a member from the WHA-TV support group. There is no need to specify their representation. Furthermore, the WHA-TV group is only one of several local public television support groups in the state. Representation of one group would not be equitable to other support groups in the state.

62. Arts Incubator Grant Program
Section 1165t

This provision requires the Wisconsin Arts Board (WAB) to award \$75,000 GPR in arts incubator grants annually and provides the WAB with \$13,600 GPR annually and 0.5 GPR FTE position to staff the grant program. I am vetoing this section to allow the WAB to fully evaluate the merits of the arts incubator projects

funded in the 1989-91 biennium. If the WAB determines that these projects are of continued artistic interest, it may fund them from the state aids appropriation.

The WAB has the authority to establish grant categories and to determine the amount of funds that it wishes to dedicate to any individual category. Separate designation of grant programs beyond those already established diminishes the WAB's ability to establish statewide priorities for artistic endeavors.

I am requesting the Department of Administration Secretary to place in unallotted reserve the \$75,000 GPR in s. 20.215 (1) (b) in fiscal year 1991-92 and in fiscal year 1992-93 allocated for arts incubator grants and the \$13,600 GPR in s. 20.215 (1) (a) in fiscal year 1991-92 and in fiscal year 1992-93 allocated for 0.5 FTE position to lapse to the general fund.

63. Increased Support for State Arts Programs
Section 216 [as it relates to s. 20.215 (1) (b)]

Section 216 [as it relates to s. 20.215 (1) (b)] provides \$335,000 GPR in fiscal year 1991-92 and in fiscal year 1992-93 for the support of the state arts programs. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the Wisconsin Arts Board's state aid for the arts appropriation for this purpose was adopted by the Legislature during budget deliberations.

I object to this increase in funding because it is excessive, particularly at a time a when the state's financial situation requires setting priorities for state funding. By lining out the Wisconsin Arts Board's s. 20.215 (1) (b) appropriation and writing in a smaller amount that deletes the \$335,000 annual GPR provided for this purpose, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

64. Arts Board Administrative Position
Section 216 [as it relates to s. 20.215 (1) (a)]

This provision provides \$40,000 GPR in each fiscal year of the biennium for an administrative position at the Wisconsin Arts Board (WAB). Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the WAB's general program operations appropriation for this purpose was adopted by the Legislature during budget deliberations.

I object to this increase in funding because it is excessive, and because agencies must achieve administrative efficiencies. By lining out the WAB's s. 20.215 (1) (a) appropriation and writing in a smaller amount that deletes the \$40,000 annual GPR provided for this purpose, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

65. Targeted Support for the Arts
Sections 1165mb and 1165md

These sections appropriate \$1,100,000 GPR to the Milwaukee Symphony, the Florentine Opera and the Wisconsin Chamber Orchestra from the Wisconsin Arts Board (WAB) State Aid for the Arts appropriation. I am partially vetoing words in these sections to express concern with the earmarking of funds to arts organizations and to clarify that my intent is for these organizations to receive targeted support from the WAB only in the 1991-93 biennium. My concern over earmarking must not be construed as evidencing any personal doubt as to the quality of these organizations or whether they are deserving. That concern is based on a growing awareness of the negative aspects of earmarking funding of the arts as a matter of public policy. To the extent possible, I believe arts funding should be administered by the WAB and not through specific legislative actions.

There is no doubt that these three organizations are worthy of funding consideration by the WAB. The Milwaukee Symphony is unique in that it serves a statewide audience. Furthermore, the unique statewide service provided by these organizations, have in part, contributed to the financial strain that they have experienced. For that reason I have not vetoed the funding designated by this budget bill.

Any future funding for these organizations must be awarded through the WAB established peer review process. The peer review process is the basis for the judgment of artistic merit and should be a determining factor in WAB grant decisions. One of the major goals of the peer review process is to provide an objective determination of the relative merit of funding requests so that limited funds can be used effectively to benefit all Wisconsin citizens. A second goal of the peer review process is to monitor grant recipients to be certain that state funds are used as intended and that the recipients are fiscally responsible. I fully support the WAB peer review process as the principal mechanism to select grant recipients.

I expect the three organizations receiving funds under these provisions to demonstrate that they fully deserve this special consideration, granted to them by the Legislature. They can do this not only by maintaining the highest levels of artistic quality, but by living within their respective means. They must demonstrate that they have used their ingenuity and determination to the fullest to raise needed operating and endowment funds. Their strategic objective must be to become economically self-sufficient. Arts organizations should not become dependent on state funding for survival. I will expect the WAB to monitor the use of the funding granted to these organizations.

Since I am only committing the state to targeted support for the 1991-93 biennium I am requesting the WAB to submit, as part of their 1993-95 biennial budget request,

statutory language that will eliminate the funding designated for these organizations.

66. Family Practice Residency Program
Sections 216 [as it relates to s. 20.250 (1) (b)] and 9140 (1g)

These provisions increase funding for the Family Practice Residency program by \$1,300,000 GPR in fiscal year 1991-92 and \$1,700,000 GPR in fiscal year 1992-93. Section 9140 (1g) also directs the Medical College of Wisconsin to use the increase to expand the Family Practice Residency program and to support community medicine.

While I support the Family Practice Residency program, I object to the amount of the increase for fiscal year 1991-92. Given this budget's fiscal constraints and the fact the state is already two months into fiscal year 1991-92, the increase is excessive. By lining out the Family Practice Residency program's s. 20.250 (1) (b) appropriation and the dollar amount written into section 9140 (1g) for fiscal year 1991-92 and writing in a smaller amount that deletes \$300,000 from this program, I am partially vetoing the increased appropriation for this program for fiscal year 1991-92. I am also requesting the Department of Administration Secretary not to allot these funds in fiscal year 1991-92.

B. Government Operations

1. Second Year Appropriation Vetoes

Section 216 [as it relates to fiscal year 1992-93 in s. 20.225 (1) (f), 20.245 (1) (a), 20.250 (1) (a), 20.255 (1) (e) and (2) (ac), (b), (bc), (bh), (bm), (cc), (cg) and (ez), 20.285 (1) (a), (c) and (fm), 20.292 (1) (d) and (dc), 20.370 (1) (ma) and (2) (ma), 20.399 (1) (a), 20.435 (1) (a), (am) and (b), (4) (a), (cn), (de), (df) and (eb), (5) (bm) and (7) (b), (bc), (bd), (cb) and (dd), 20.455 (2) (a), 20.550 (1) (c) and (d), 20.835 (7) (a) and 20.867 (2) (c) and (f)]

These provisions constitute the majority of general purpose revenue appropriations which increased significantly between fiscal year 1991-92 and fiscal year 1992-93. In total, these increases exceed \$310 million. Because I am vetoing all general tax increase provisions which the Legislature put in this budget, the level of spending increases contained in these appropriations cannot be funded from the revenues which will remain available in the general fund. I am therefore vetoing to zero in fiscal year 1992-93 each appropriation indicated. The effect of this veto will be to reduce gross GPR appropriations by \$4,127,998,400 in fiscal year 1992-93.

It is my intent to recommend appropriate funding levels for these provisions with budget legislation in January 1992, after the Department of Revenue provides its routine revenue estimates later this year. The fiscal year 1992-93 funding level I will recommend for these appropriations will be affected by the amount of revenue

available and by the partial veto decisions I have made in this bill.

2. Privacy Council and Access to Information

Sections 79m, 146c, 212qz, 2667d, 2667h, 2667i, 2667j, 2667k, 2667L, 2667m, 2667n, 3143m, 3144n, 3161t, 3161u, 3167r, 3167t, 3587m, 9101 (4mx), 9360 (13mx) and 9460 (4zo) [as it relates to access to information]

These provisions make substantial changes in current law regarding access to and the privacy of both state and local government records and medical records. While I agree that an individual's right to privacy of personal records and access to those records are both important issues with regard to personal liberty, I am using a number of vetoes and partial vetoes to modify these provisions because I believe a narrow interpretation of the provisions as included by the Legislature could yield unintended and troublesome results. Furthermore, this issue was the subject of a Legislative Council Study that should have been introduced as separate legislation.

Sections 79m and 9101 (4mx) create a seven-member Privacy Council to make recommendations to the Governor and Legislature regarding personal privacy protection issues and establish term lengths of members appointed by designated individuals. I am partially vetoing these sections to allow the Governor to appoint all members of the council because I believe the membership of the council should be more broadly-based.

Section 146c requires the Public Records and Forms Board to create a registry of records series maintained by state agencies that contain personally identifiable information and provides an exemption for records resulting from a matching program if the records are destroyed within 180 days. In addition, the Board is directed to provide the privacy advocate with direct computer access to the registry. I am partially vetoing these provisions so that all records resulting from matching programs are exempt from inclusion in the registry, because some state agency matching programs are not able to destroy resulting records within this time limit, and I do not believe these records should be included in a public registry of state records. I am also eliminating the requirement that the privacy advocate be provided direct computer access to the registry because such access is not necessary.

Section 212qz [as it relates to s. 19.69 (1) and (2)] prohibits a state agency from using or allowing the use of personal information maintained in a matching program unless the state agency and the party sharing the data enter into a written agreement which specifies a variety of conditions, including provision for the state agency to audit the recipient's use of the data. I am partially vetoing section 212qz to delete the requirement that the state agency and the other party have a written agreement and to delete many of the conditions; my veto will ensure that the state agency detail the important points regarding the legal authority for the matching

program, the justification and results of the matching program and the information used in the program. Also, I am vetoing the portion of section 212qz which requires a state agency to audit the recipient's use of data in a matching program. These partial vetoes will ensure that the state's use of matching programs as a tool against fraud and inappropriate payment of state benefits is not jeopardized.

Section 212qz [as it relates to s. 19.625 and s. 19.69 (3)], also requires a state agency to notify an individual in writing of an adverse action as a result of a matching program prior to taking the action. As drafted, this provision would allow the Privacy Council to grant exceptions to this requirement. I am vetoing this provision to allow state agencies to except themselves from this notification requirement if the agencies consider the information in the records series to be matched to be reliable.

Section 2667d requires that an informed consent form (such as those filed by applicants for insurance) name specific doctors or health care providers in order for a third party (the insurance company) to obtain release of health care records. The third party would then only be able to review the records of named health care providers. Also, the informed consent form would specify the extent of the information a health care provider could disclose to the third party, including the dates of treatment or the patient's health condition. These provisions are troublesome because they prohibit insurers from making a thorough review of a potential insured's health history, thus frustrating the underwriting process. I am vetoing section 2667d in its entirety because of its potentially negative effect on the insurance industry in this state.

Sections 2667k and 2667L prohibit holders of health care records from redisclosing those records without the specific informed consent of the patient. I am vetoing these provisions because they would prohibit state regulatory agencies from reviewing records (such as those held by insurance companies) during routine audits or other reviews for fraud.

Sections 212qz [as it relates to s. 19.80 (1)], and 2667n provide that an individual, in any legal action regarding violations of records confidentiality, can recover actual damages including, with respect to public records, actual damages of not less than \$1,000, and reasonable costs and attorney fees. I am vetoing the provisions of these sections which provide for recovery of attorneys fees, costs and minimum damages because I believe that recovery of actual damages is sufficient compensation in such cases.

Section 2667n further provides penalties for accidental violations of patient confidentiality. I am vetoing this provision because I do not believe penalties should apply in cases of accidental violations of confidentiality.

Section 2667n also provides for recovery of not less than \$1,000 in punitive damages for wilful violation of patient

confidentiality and provides that the damages be awarded for each violation. I am vetoing the damages provision in order to limit punitive damages to \$1,000 because I am concerned that providing for unlimited damages will lead to nuisance litigation in the anticipation of recovery of significant damages. I am vetoing the provision to award damages for each violation because of my concern over possible misinterpretation or abuse as a result of repeated similar requests.

Section 2667n also provides that an individual need not suffer or be threatened with actual damages in order to bring an action under this section. I am vetoing this provision because it exposes the record holder to the possibility of frivolous or nuisance litigation.

Sections 146c and 212qz [as it relates to s. 19.63 (1)], direct the privacy advocate to assist the Public Records and Forms Board in creating a registry of records series, publicizing the registry and assisting individuals in using the registry. I am vetoing these provisions because I believe the Public Records and Forms Board is able to coordinate creation of the registry.

Section 212qz [as it relates to s. 19.63 (2)], also provides that the privacy advocate may request the Joint Legislative Audit Committee to direct the State Auditor to undertake an audit of a state or local agency's policies, procedures or practices for collecting and managing confidential records. I am vetoing this provision because it would provide a measure of influence in the legislative branch which is inappropriate for an executive branch employe.

Section 146c also provides that the Public Records and Forms Board shall assist individuals in identifying any records series maintained by a state agency and how the information in these records is collected, used, accessed, shared and disposed of or retained. Also, section 146c provides that the Public Records and Forms Board shall specify additional information that agencies must submit for the registry and that this information shall be submitted as part of a records retention schedule. I am vetoing these provisions because I believe that state agencies will best be able to determine what records series must be included in the required registry.

Section 212qz [as it relates to s. 19.73 (1) and (3) and s. 19.80 (1)], allows an individual to inspect, copy, or to challenge and correct the accuracy, completeness, timeliness or relevance of a record held by a state or local government. In addition, provisions of this section allow an individual to bring suit to force an agency to allow the individual to inspect or copy, or require the agency to amend or correct data considered inaccurate, incomplete, untimely or irrelevant. In cases involving an action regarding copying or inspection of records, these provisions require the courts to determine the matter de novo, and place the burden of proof on the authority. The purpose of my veto of the de novo and burden of justification requirements is to keep the burden of proof on the plaintiff as in most lawsuits and to otherwise

simplify the existing law. Also, while I do not object to providing an individual access to these records, I am vetoing these provisions as they apply to allowing an individual to correct and bring suit to amend or correct records. The effect of my veto will be to allow an individual to challenge, but not to correct or bring suit to amend or correct records because I am concerned about the accuracy of corrections, and that a variety of nuisance suits will result.

Section 212qz [as it relates to s. 19.73 (4)] also creates exemptions to records that can be inspected, copied and challenged. These exemptions include personally identifiable information at issue in a pending contested case under Chapter 227, and a pending court action or information which relates to investigation, prosecution or other enforcement action of law violations. I am partially vetoing this provision to broaden it to include under the exemption information in any case, action, investigation, enforcement action, prosecution or other action, because I do not want to hamper the effectiveness of any criminal or other investigation. I am also eliminating a drafting error by removing the term "subsection."

Sections 3143m, 3144n, 3161t, 3161u, 3167r and 3167t allow applicants for driver's licenses and vehicle registrations to designate that their names and addresses not be disclosed by the Department of Transportation under certain circumstances. I am vetoing these provisions because they will have a significant impact on the ability of auto insurance companies to verify information provided by applicants for insurance. I am especially concerned that these restrictions would result in higher rates for "good" drivers because the distinctions between "good" and "bad" drivers would blur.

Section 212qz [as it relates to s. 19.67 (1)], limits a state or local agency to collection of only personally identifiable information which is necessary for the performance of the duties of the agency. I am vetoing this provision because I am concerned about its negative impact on the process of criminal or other investigations.

Section 212qz [as it relates to s. 19.67 (2)], also requires that information collected by a state or local agency which may result in an adverse action regarding the rights, benefits or privileges of an individual be collected or verified directly from the individual or, if collected from another person, that the individual must receive a copy of the information. I am partially vetoing this provision to eliminate the requirement that, if the information is collected from another person, the individual must also receive a copy, because I believe it would impede the effectiveness of criminal or other investigations.

Sections 212qz, 2667h, 2667i, 2667m and 2667n include private sector entities, including private contractors providing goods and services to the state, under the provisions of this initiative regarding access to information. I am vetoing these provisions because I do

not believe that contractors with the state should be subject to the restrictions regarding access to information, training and privacy which are imposed on state and local governments. I am especially concerned with the provisions under sections 2667h and 2667i relating to the requirements for the private sector to have written policies and procedures, including training, to ensure the confidentiality of records. These provisions, while well intended, could have a significant fiscal impact on the state if current contracts must be renegotiated to include these requirements.

Section 2667j amends current law so that a state agency may require that another party (e.g., insurance company, health care provider) release confidential personal records if the agency determines that the records are necessary to perform a function of the agency. I am vetoing this provision because the wording is ambiguous and does not provide the holder of the records with a standard by which to judge whether to release the records.

Section 3587 repeals the current statutory fees that health care providers can charge for records and replaces those fees with allowable charges of "actual, direct and necessary" costs. While I agree that the fees should compensate the holder of records for actual costs, I am vetoing this provision because I believe a significant amount of controversy exists over the amount of these actual costs. If changes in current statutory fees are warranted, the amount of these fees should be amended.

Section 212qz [as it relates to s. 16.63 and s. 19.75] gives the privacy advocate the authority to inspect and copy any record of a state or local agency that is exempt from inspection under the open records law, if the Joint Committee on Legislative Organization determines that the record is necessary for the discharge of the advocate's duties. While I do not object to the advocate having access to such records, I do not believe the advocate should be allowed to copy such possibly sensitive documents. I am partially vetoing this provision to eliminate the ability to copy those records, and also to eliminate the involvement of the Joint Committee on Legislative Organization because I want to ensure that decisions regarding access to sensitive documents are made outside the political realm.

Section 212qz [as it relates to s. 19.65] also requires a state or local government to establish administrative, technical and physical safeguards to ensure the security of records that are not subject to disclosure under the open records law. I am vetoing this provision because the open records law does not clearly define which records are not subject to disclosure.

Section 9360 (13mx) establishes the effective date for s. 19.80 (3) as July 1, 1991 or the day after publication, whichever is later. I am vetoing this provision because it is an error. The effective date of the remaining privacy language is the first day of the sixth month beginning after publication, and my veto will make this penalty provision consistent with that effective date.

Section 9460 (4zo) establishes effective dates for the public and medical records provisions. I am partially vetoing this section to remove reference to those provisions which have been stricken from the bill.

3. Open Records Law Change
Sections 208c and 9460 (4zo) [as it relates to the open records law]

This provision repeals and recreates the definition of "record" under the open records statutes. While this section adds optical disks to the list of records, it removes draft documents from the list of records which are not considered "open" under this statute. I am vetoing the removal of draft documents from this provision because I believe it is important that draft documents not be subject to random release. Draft documents are by nature not finalized and may not accurately represent the intent of the author.

4. Expansion of Transitional Housing Program
Section 120m

This provision creates a transitional housing grants program in the Department of Administration (DOA). I am partially vetoing this provision to expand the definition of a private, nonprofit organization because under the provision as passed by the Legislature some religious groups and housing cooperatives, among the largest providers of transitional housing, would not be eligible to apply for grants under this program. Also, I am partially vetoing this section to remove the requirement that a grant recipient utilize buildings with a maximum of 16 dwelling units because I believe there are instances in which it may be appropriate to provide transitional housing as part of these larger buildings. Both of these changes will make the transitional housing program more flexible and more compatible with existing housing grant programs within DOA.

5. Washington Heights Neighborhood Grant
Sections 611, 611b, 9101 (6b) and 9401 (6b)

These sections direct the Department of Administration to provide a grant of \$20,000 to the Washington Heights Neighborhood Association in Milwaukee for community homeownership activities. I am vetoing sections 611b, 9101 (6b) and 9401 (6b) and partially vetoing section 611 because the department awards its grants under a competitive process which should not be circumvented through the budget. The department receives many worthy applications for its limited funding, and each application should be judged by the same criteria.

6. Community Development Block Grant Programs
Section 3433

This provision directs the Department of Development to contract with the Department of Administration for the administration of the housing programs portion of the Community Development Block Grant (CDBG). I am partially vetoing this provision to delete the requirement that the Department of Development allocate all CDBG funds according to a specific

allocation formula. I am making this partial veto because I want to retain current flexibility and allow changes between portions of the CDBG program as warranted by the needs of the state.

7. Homeless Shelter Grant Funds

Section 216 [as it relates to s. 20.435 (4) (cc)]

Section 216 [as it relates to s. 20.435 (4) (cc)] provides \$300,000 GPR in fiscal year 1991-92 to increase funding for the homeless shelter grant program in the Department of Health and Social Services. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the department's appropriation was included during legislative budget deliberations.

By lining out the Department of Health and Social Service's s. 20.435 (4) (cc) appropriation for fiscal year 1991-92 and writing in a smaller amount that deletes the \$300,000 for this purpose, I am vetoing the part of the bill which provides the increased funding for the Homeless Shelter Grant program. I am also requesting the Department of Administration Secretary not to allot these funds. While I am vetoing this funding in fiscal year 1991-92 because state resources are scarce, I am retaining the \$300,000 increase for this program provided in fiscal year 1992-93. This additional funding in the second year of the biennium and other increases in the Wisconsin Housing and Economic Development Authority, should provide a needed boost to the state's efforts to combat homelessness.

8. Handicapped Homeless Program Transfer

Section 9128 [as it relates to transfer of housing assistance programs]

This provision establishes transitional provisions relating to the transfer of the Handicapped Homeless Program from the Wisconsin Housing and Economic Development Authority (WHEDA) to the Department of Administration. I am partially vetoing this provision to clarify that existing assets, liabilities, contracts, orders, records and pending matters relating to this program shall remain with WHEDA because of legal concerns that the state not take on contracts undertaken by an entity which is not bound by legal constraints which the state faces regarding contractual agreements.

9. Regulation of Manufactured Home and Mobile Home Manufacturers

Sections 216 [as it relates to s. 20.505 (7) (j)], 612j, 2328x, 2330j, 2330nb, 2330nc, 2330nd, 2330ne, 2330nf, 2330ng, 2330nh, 2330ni, 2330nj, 2330nk, 2500fo, 9129 (7q) and 9429 (3w)]

These provisions transfer responsibility for regulation of the manufacturers of manufactured homes and mobile homes from the Department of Industry, Labor and Human Relations (DILHR) to the Department of Administration. I am vetoing these provisions because I believe that this regulatory program is best administered in concert with similar code enforcement programs

currently administered by DILHR. If DILHR finds that this veto leaves DILHR with insufficient program revenue to operate its regulatory functions through the end of fiscal year 1992-93, it may request a supplement under s. 16.515.

10. Surplus State Land Program

Section 125m

This provision creates a program under which the Department of Administration (DOA) is authorized to transfer surplus state-owned real property to private entities for development of low-income housing. I am partially vetoing this provision because I believe it would produce a cumbersome, restrictive program as proposed. Instead, I am partially vetoing this provision to facilitate a surplus state land program which can be broadly utilized. My vetoes will allow this program to facilitate not only low-income housing but will allow DOA to transfer surplus real property to private entities for a broader range of purposes.

11. Clean Energy Rebate Program

Sections 175m, 216 [as it relates to s. 20.505 (1) (e)], 593q and 9101 (9e)]

These provisions create a clean energy rebate program to provide rebates of up to \$2,000 for installation of systems that convert solar or wind energy to thermal or electric energy. In addition, sections 216 [as it relates to s. 20.505 (1) (e)] and 593q create a GPR appropriation for this program and provide \$150,000 GPR in fiscal year 1991-92 and \$500,000 GPR in fiscal year 1993-93.

I am partially vetoing these provisions because this program would not be a cost-effective use of scarce state general purpose revenue. Fewer than 400 wind or solar energy systems would be installed using the rebates and the majority of these would not save sufficient energy to return the combined state/private investment for as long as 30 years. With this partial veto, GPR spending will be reduced by \$100,000 in fiscal year 1991-92 and \$450,000 in fiscal year 1992-93.

Also, the Wisconsin Housing and Economic Development Authority already operates a home energy conservation rebate and loan program which provides more practical, broad assistance for residential energy conservation measures. I fully support efforts to promote additional use of renewable energy resources in Wisconsin. However, the state's efforts must be practical and sound from an economic as well as a technical perspective.

12. Community Land Trust Study

Section 9101 (2w)

This provision directs the Department of Administration to prepare a report for the Legislature by June 1, 1992 on the feasibility of establishing community land trusts in Wisconsin. I am vetoing this provision because it is unnecessary; the department intends to review the feasibility of community land trusts in this state and the

results of this review will be available to members of the Legislature for their consideration.

13. Consolidation of Mail Operations
Section 9101 (1p) and (9b)

These provisions direct the Department of Administration (DOA) to submit two reports to the Joint Committee on Finance (JCF) regarding transfer of state agency mailing operations to DOA. I am vetoing these provisions because DOA intends to independently review state agency mailing operations, and I believe specifying dates for submission of DOA findings to the JCF is unnecessary. I believe it would be most appropriate for DOA to review all state agency mail operations and make reports and recommendations to the JCF when warranted.

14. Division of Information Technology Services
Sections 83m, 166s, 194m, 194n and 194q, 216 [as it relates to s. 20.505 (1) (is), (kL) and (L)], 594p, 599g, 599s and 9101 (13x) [as it relates to approval of an implementation plan, to compensation for assets and to fee setting]

These provisions relate to the creation of a new Division of Information Technology Services in the Department of Administration and a Council on Information Technology to advise and assist the secretary in carrying out the functions of this division. I believe this is an important first step toward providing information technology services in state government in a more businesslike fashion. I am vetoing several provisions to get as close as possible to my original recommendations of removing certain government constraints while at the same time maintaining appropriate executive and legislative oversight.

Council on Information Technology Membership. Section 83m creates a Council on Information Technology in the Department of Administration and defines the membership of the Council. I am partially vetoing the provision to remove the requirement for Senate confirmation of agency heads appointed to the Council and to permit all four of the private sector members to be appointed by the Governor. Other members of the 10 member council include four legislators and two state agency heads.

Role of Council on Information Technology. Section 194q establishes the role of the Council on Information Technology as both advisory to the Department of Administration Secretary and assisting the Division of Information Technology Services. This latter provision goes beyond an advisory role and is inconsistent with the legislative decision to house the function in an executive agency. I am removing that role by a partial veto. The advisory role for the Council is retained. The effect of my veto will be to avoid confusion and to be clear that it is the Secretary who sets direction and is ultimately responsible for the division's activities.

Strategic Planning Requirement. Section 194m contains a grammatical error which I am correcting by partial veto. Section 194n establishes duties for the Division of Information Technology Services. I am vetoing the requirement for the division to engage in strategic planning. This language would lead to confusion as to who is responsible for statewide strategic planning for information technology. As a service agency, this division will participate in strategic planning as will other agencies in state government. Other areas within the Department of Administration now have responsibilities for leading information technology strategic planning and will continue to carry out that current statutory authority.

Division Procurement. Section 166s exempts major procurements in the division from certain purchasing laws and requires that all such procurements of information technology services be reported to the Joint Committee on Finance within 30 days. My original proposal to the Legislature had all procurements of the quasi-public Information Technology Authority exempted from state purchasing laws. I am partially vetoing the provision to remove its procurement activity from certain state procurement laws and to delete the reporting requirement. This gives the division greater flexibility to operate efficiently. The reporting is unnecessary since four legislators will be serving on the Council on Information Technology and will be aware of major procurements.

Division Appropriations. Sections 216 [as it relates to s. 20.505 (1) (is), (kL) and (L)], 594p, 599g and 599s create new appropriations for information technology in the Department of Administration. Two are established as program revenue annual appropriations and one is created as a program revenue continuing appropriation. I am partially vetoing these provisions in a way that will eliminate one appropriation for capital expenses and make the remaining appropriations continuing in nature. These changes are needed to streamline the funding structure of the Division of Information Technology Services and to give it budget flexibility.

Approval of Implementation Plan. Section 9101 (13x) requires that an implementation plan be developed and submitted to the Joint Committee on Finance (JCF) for approval within 60 days after the effective date of this bill and requires that any subsequent changes to the plan also be submitted to the JCF for approval. The provision also prescribes specific components which are to be included in the plan. My proposal included the provision of a report to JCF. This provision, as vetoed, requires the report but eliminates JCF approval. The report and any subsequent changes to it will be delivered to JCF. It will be detailed and will identify the number, types and funding source of the positions transferred to the division by the Department of Administration Secretary. To await full committee approval, particularly since no date for JCF action was specified, could delay implementation resulting in additional cost.

Compensation For Assets and Fee Setting. Section 9101 (13x) contains a directive to the Department of Administration (DOA) Secretary to include in the 1993-95 biennial budget, amounts to compensate agencies for the value of assets transferred in forming the Division of Information Technology Services. It also requires the secretary to submit draft legislation with procedures for setting fees to be charged for services provided by the division. I find these requirements to be an unwise departure from current law and practice. The DOA Secretary exercises authority to consider compensation of agencies for assets transferred in other similar situations. Moreover, organizations which currently provide information technology services to state agencies do not have statutory restrictions on their procedures for setting fees. Because of these concerns, I am partially vetoing this provision. The effect of the partial veto is to remove the mandatory payment for assets and to encourage interagency cooperation in making good business decisions. The removal of the rate setting restriction will permit the secretary, with the advice of the Council on Information Technology, to have flexibility in establishing fees for services which are not locked into a statutory procedure that would be difficult to adjust in meeting changing circumstances.

15. Optical Disk Record Storage
Section 3692

This provision defines "optical disk." I am partially vetoing this provision because the definition of optical disk is inaccurate. Some optical disks do not store information in the form of holes on a circular plate.

16. Women's Business Reporting
Sections 166m and 9360 (10d)

These provisions require businesses which contract with the state to report whether they are women's business enterprises and also require state agencies to report to the Department of Administration (DOA) on the number of contracts and purchase orders placed with such enterprises. DOA is then required to report annually on the total dollars expended by state agencies for procurements with women's business enterprises.

DOA has developed a new automated data processing system which is able to track purchases from women's business enterprises. However, data from the system will not be completely reliable because DOA must rely on self-reporting by businesses.

Developing a verification process would require extensive resources because of the number of women's business enterprises. Therefore I am vetoing these provisions because I believe it is inappropriate for DOA to issue a formal report to the Legislature based on unverified information. In place of a formal report to the Legislature, DOA will be able to provide available information upon request, along with a brief discussion of its limitations.

17. Racine Zoo Funding
Sections 216 [as it relates to s. 20.505 (1) (fn)], 593w, 593x, 9101 (11z) and 9401 (2c)

These provisions direct the Department of Administration to make a grant in the amount of \$150,000 GPR to the Racine Zoo for capital improvements in fiscal year 1991-92. While I believe maintaining the Racine Zoo is a worthy cause, I am vetoing these provisions because I do not believe state funds should be arbitrarily appropriated for a selected few local projects.

18. National Aerial Photography Program
Sections 216 [as it relates to s. 20.505 (1) (fo)], 593y, 593z, 9101 (12g) and 9401 (2g)

These provisions require the Department of Administration to contract with the U. S. Geological Survey for aerial photography of Wisconsin in the spring of 1992 and provide \$180,000 GPR in fiscal year 1991-92 to fund the contract. I am vetoing these provisions because I believe existing state resources can be utilized for aerial photography needs.

19. Council on State-Local Relations
Section 79n

This section creates a ten-member council on state-local relations in the Department of Administration to develop policy recommendations on issues of importance to local governments and state local relations. I am partially vetoing this section to allow the Governor to appoint all members of the council in an effort to broaden the membership of the council. The council membership as defined in this section is narrowly constructed. A variety of local and state entities which would be excluded from membership under this section have expressed interest in being represented on this council. My veto will make broad representation on this important council possible.

20. Conversion of Permanent Positions to Project Status
Section 132p

This provision prohibits a state agency from converting a permanent position to a project position without the approval of the Joint Committee on Finance. Under current practice the Department of Administration (DOA) approves such conversions. I am vetoing this provision because I believe the determination of position status is a decision that DOA is uniquely qualified to make. DOA works closely on a day-to-day basis with state agencies regarding all aspects of state government finance, organization and operations and as a result is best able to make determinations regarding position status.

21. Prompt Payment Interest Change
Sections 135L, 135m and 9360 (13w)

These provisions decrease the annual interest rate to be paid by state agencies to vendors on bills outstanding

more than 30 days from 12% to 9%. I am vetoing these provisions because, while I am not opposed to lowering the interest rate to 9%, state law currently requires local governments to pay 12% interest on late bills. I do not believe the state should pay a lower rate of interest than local governments are required to pay.

22. Circuit Court Automation System
Section 3529m

This provision requires that, prior to committing any state resources for the support of computer systems installed as part of the circuit court automation project (CCAP), the Director of State Courts receive approval from the Joint Committee on Finance. I am vetoing this provision because CCAP has received significant oversight from the Joint Committee on Finance during the past biennium and I do not believe that the continuation of such oversight is necessary in light of a requirement in this bill that a plan for the support of CCAP be submitted to the Legislature by October 1, 1992.

23. State Payment of County Court Costs
Sections 136d, 216 [as it relates to ss. 20.505 (8) (b), 20.550 (1) (f) and 20.625 (1) (d), (e) and (f)], 614m, 628m, 647e, 647m, 647p, 1417m, 1445m, 1603p, 1603r, 1976p, 3525m, 3527m, 3530g, 3530r, 3560g, 3560j, 3560m, 3575m, 3576d, 3576f, 3576h, 3576j, 3576L, 3646m, 3647m, 3652d, 3691h, 3691k, 3691m, 9310 (2j) and 9410 (3g)

These provisions require the state to assume the costs of juror, guardian ad litem, witness and expert witness fees beginning July 1, 1993. Also, these provisions increase the minimum juror fee from \$16 to \$25 per day and the mileage rate from 10 cents per mile to the state mileage rate. I am vetoing these provisions because the Legislature has provided no funding source for these costs, which could total as much as \$15 million when these provisions become effective in fiscal year 1993-94.

24. Battery to Sports Officials
Section 3588c

This provision provides that intentionally causing bodily harm to a sports official during or within 24 hours before or after an athletic event in which the sports official officiates would become a Class E felony. I am vetoing this provision because battery to a sports official, though repugnant, should not be classed as a felony. Current Wisconsin law reserves felony charges for battery in extraordinary cases, such as battery of law enforcement officers, jurors and handicapped persons. I do not believe that adding sports officials to the list of persons upon whom battery is considered a felony offense will significantly reduce the already low rate of battery of sports officials.

25. Milwaukee County Violent Crime Courts
Sections 216 [as it relates to s. 20.625 (1) dm)], 646d, 647g, 3521pd, 3521pk, 3521pn and 9110 (3f)

Sections 646d and 3521pd provide four Milwaukee County Court Commissioners and staff to assist the commissioners, including four court reporters and four clerks. I am partially vetoing these sections to eliminate these commissioners and related staff because the costs of court commissioners and their staff have traditionally been borne by counties. It would be inappropriate and inequitable for the state to fund such costs for only one county. I am requesting the Department of Administration Secretary to place \$365,400 GPR in fiscal year 1991-92 and \$443,900 GPR in fiscal year 1992-93 in unallotted reserve for appropriation s. 20.625 (1) (as) to lapse to the general fund.

Section 3521pn places limits of \$113,100 GPR in fiscal year 1991-92 and \$287,800 GPR in fiscal year 1992-93 for state reimbursement [from s. 20.625 (1) (as)] to Milwaukee County for the costs of operating violent crime courts in Milwaukee. While I am approving this funding in fiscal year 1991-92, I am partially vetoing this funding for fiscal year 1992-93 because I believe it would be inappropriate for the state to assume the costs of operating this violent crime court on an ongoing basis. I am requesting the Department of Administration Secretary to place \$287,800 GPR in fiscal year 1992-93 in unallotted reserve for appropriation s. 20.625 (1) (as) to lapse to the general fund.

Sections 216 [as it relates to s. 20.625 (1) (dm)], 647g and 3521pk provide \$59,600 GPR in fiscal year 1991-92 and \$65,000 GPR in fiscal year 1992-93 to reimburse Milwaukee County for a person to assist in the coordination of Milwaukee County courts. I am vetoing sections 647g and 3521pk and partially vetoing section 216 to eliminate this reimbursement because Milwaukee County already employs a staff person to perform these functions. Also, the Director of State Courts employs a district court administrator in Milwaukee County who performs similar functions.

With these partial vetoes, I am retaining a significant increase in state funding for Milwaukee County courts, including a new circuit court judgeship, two court reporters, \$270,000 for court remodeling, and operating costs for violent crime courts in fiscal year 1991-92. This commitment exceeds the level of my initial proposal for Milwaukee County courts in the special session on crime. I believe this funding, in combination with the expansion of the authority of court commissioners contained in this act, will contribute significantly to the success of Milwaukee County's violent crimes court project.

26. Court Commissioner Powers
Sections 3527p and 3649t

These provisions allow a chief judge to authorize a full-time court commissioner to accept a guilty plea and sentence a defendant other than to imprisonment if both parties consent. I am partially vetoing section 3527p and

vetoing section 3649t to delete court commissioner ability to either sentence a defendant. I do not believe it is appropriate for court commissioners, who are appointed by a chief judge and not responsible to the electorate, to have this authority. This should remain solely the responsibility of elected judges.

I am retaining other modifications contained in this bill, including allowing a court commissioner to hold hearings and issue temporary restraining orders or injunctions in harassment actions and to conduct uncontested juvenile court proceedings relating to delinquency. I believe these changes will be helpful in reducing the swelling case load of many of our circuit courts, especially those in Milwaukee County.

27. Assistant District Attorney Positions — Taylor and Milwaukee Counties
Section 9101 (3d) and (3n)

These provisions authorize 4.0 GPR FTE assistant district attorney (ADA) positions for Milwaukee County and 0.5 GPR FTE ADA position for Taylor County. I am vetoing these provisions to limit the increase in assistant district attorney positions. I am leaving an additional 3.0 GPR FTE ADA positions for Milwaukee County to work in conjunction with the violent crime court.

My original budget recommendations provided funding for an additional 9.51 FTE ADA positions based on caseload information provided from the state court system. While these criteria are not perfect, position requests must be evaluated using objective, quantifiable standards. The budget bill requires that the Department of Administration, the State Public Defender and the Department of Justice work to develop a case management, time reporting methodology to be used to evaluate state attorney workload. Until that methodology is developed and working, I will resist efforts to increase state attorney positions.

I am requesting the Department of Administration Secretary to place \$14,900 GPR for fiscal year 1991-92 and \$149,000 GPR for fiscal year 1992-93 in unallotted reserve for appropriation s. 20.475 (1) (d) to lapse to the general fund.

28. Assistant District Attorney Positions — Ozaukee, Dane and Marathon Counties
Section 216 [as it relates to s. 20.475 (1) (d)]

This provision provides 1.0 GPR FTE assistant district attorney (ADA) position for Ozaukee County, 2.0 GPR FTE ADA positions for Dane County and 2.0 GPR FTE ADA positions for Marathon County and allocates \$126,100 GPR in fiscal year 1991-92 and \$184,900 GPR in fiscal year 1992-93 for these positions. Although there is no language in the budget bill that authorizes these positions and the related funding, a budget motion passed by the Joint Committee on Finance and an amendment to the budget bill provided the allocation by

county and increased the s. 20.455 (1) (d) appropriation to fund the positions.

My original budget recommendations provided funding for an additional 9.51 FTE ADA positions based on caseload information provided from the state court system. While these criteria are not perfect, position requests must be evaluated using objective, quantifiable standards. The budget bill requires that the Department of Administration, the State Public Defender and the Department of Justice work to develop a case management, time reporting methodology to be used to evaluate state attorney workload. Until that methodology is developed and working, I will resist efforts to increase state attorney positions.

By lining out the district attorneys s. 20.475 (1) (d) appropriation and writing in a smaller amount to delete the \$126,100 GPR in fiscal year 1991-92 and \$184,900 GPR in fiscal year 1992-93, I am vetoing the part of the bill which funds these additional ADA positions. I am also requesting the Department of Administration Secretary not to allot these funds.

29. Prior Approval for Requesting the Appointment of Special Prosecutors
Section 3669

This section revises the statutes to require a district attorney, prior to requesting that the circuit court appoint a special prosecutor under s. 978.045 (1r), to receive approval from the Department of Administration for the appointment. Prior approval is not necessary if the appointment is for less than 16 hours per case. I am partially vetoing this section to reduce the exemption from prior approval from 16 hours to six hours.

I am exercising my partial veto authority in this case to provide the Department of Administration with approval authority over more requests for appointments. My original recommendation in the budget bill would have set the level for approval for appointments at over eight hours per case. That recommendation was based on information supplied by district attorneys that in cases involving juveniles, prior approval would not be feasible. District attorneys advised the Department of Administration that in cases involving juveniles the appointment would not in most cases be for more than four to six hours. With this veto the exemption should meet the needs of prosecutors and at the same time provide greater control over the appointment of special prosecutors and related costs.

30. Deferred Prosecution Agreements in Domestic Abuse Cases
Section 3638j

This section amends state law to specify that district attorneys may enter into deferred prosecution agreements in cases relating to domestic abuse for various criminal charges. The intent of the provision is to ensure that the state will receive a domestic abuse assessment for conviction or completion of a deferred

prosecution agreement in all domestic abuse cases. I am partially vetoing the section to eliminate the listing of first-degree intentional homicide, first-degree reckless homicide, felony murder, second-degree intentional homicide, second-degree reckless homicide, mayhem, taking of hostages and kidnapping.

I do not believe that it should be implied in the statutes that the state encourages, in any manner, deferred prosecution for these serious offenses.

I recognize that district attorneys have the power to defer prosecution under their inherent powers of office and that this partial veto will not diminish the flexibility afforded district attorneys to use deferred prosecution.

31. Attorney Case Management and Time Reporting Methodology
Section 9101 (9p)

This provision requires the Department of Administration Secretary, the State Public Defender and the Attorney General to jointly develop a case management and time-reporting methodology to be used for the evaluation and analysis of state attorney workload. Under the provision a report must be submitted to the Joint Committee on Finance by March 1, 1992. I am partially vetoing this provision to remove the required date for submittal. This report will deal with very complex issues relating to our criminal justice system and I wish to provide these departments adequate time to thoroughly develop and test the methodology.

32. Paralegal Study
Section 9101 (3r)

This section requires that the Department of Administration undertake a study of the role played by paralegal personnel in district attorneys' offices. I am vetoing this section to eliminate the requirement for the study because it is unnecessary. If and when the state decides to assume additional costs of district attorney offices, a thorough study of all positions and functions will be undertaken.

33. Purchase of Non-Wisconsin Retirement System Creditable Service
Sections 1148k, 1154Lp and 2351m

These provisions would amend state law to allow employes covered under the Wisconsin Retirement System (WRS) to purchase creditable service for time the individual was employed by a non-WRS governmental employer. I am vetoing the provisions for two reasons.

First, the language is ambiguous as to how the cost for the purchase of creditable service is to be calculated. If the cost is related only to the service, the provision may result in a significant cost to be paid by increased employer and employe contributions. This cost increase occurs because increasing creditable service will have the effect of reducing the actuarial discount for retiring before the normal retirement age.

Second, if the intent was to provide that the employe would pay the entire cost of the purchase, the provision is unnecessary. Under current law, all participating employes may increase their retirement benefits by making voluntary contributions to the WRS.

34. Maximum Limit on Wisconsin Retirement System Benefit
Sections 1154k and 9319

These provisions provide that, when a participating employe under the Wisconsin Retirement System (WRS) reaches the maximum retirement benefit level (65% of final average salary for most employes; 85% for certain protective employes), future employe and employer retirement contributions would be credited to an employe additional contribution account to accrue benefits for the employe. Under current law, these contributions would be retained by the WRS.

I am vetoing these provisions to retain current law because the provisions would represent a significant improvement in retirement benefits and would measurably increase costs to the WRS.

35. Collective Bargaining for Supervisors
Sections 2339mb, 2347m, 2350m and 2350n

These sections permit law enforcement supervisors in second class cities and in counties with populations of 100,000 or more to organize in collective bargaining units and bargain collectively with their employers under the binding arbitration law.

I am vetoing these sections because I do not believe that supervisory personnel should be granted the right to bargain collectively.

36. Special Agent Compensation Study
Section 9121 (3c)

This provision requires the Department of Employment Relations to study special agent compensation and report its findings to the Legislature by July 1, 1992. I am vetoing this provision because the department routinely performs reviews of job classifications that it believes are inappropriately compensated. It is not appropriate to mandate such a study through budget bill language.

37. Department of Corrections Staff Recruitment
Section 9121 (2r)

This section requires the Department of Employment Relations to report to the Legislature by July 1, 1992 on the progress in the recruitment, hiring and promotion of underrepresented racial, ethnic or gender groups in the Department of Corrections. While I support this study, I believe that it would be difficult for the Department of Employment Relations to report on its progress in such a short time frame. Therefore I am vetoing the submission date of the required study and requesting that the department submit the report by February 1, 1993.

38. Civil Service Reform

Section 3044

This provision allows the Department of Employment Relations (DER) to establish separate recruitment, evaluation and certification procedures for entry level professional positions. This change will allow DER and other state agencies to develop more efficient and timely hiring processes, thus improving state government's ability to compete for entry level professional employees, particularly on our college campuses. These improved procedures will also help create a more diverse work force by enabling state agencies to recruit and hire more racial and ethnic minorities, women and the disabled.

I am vetoing the portion of this provision which places a 25% ceiling on the percentage of positions which can be limited to college graduates. This restriction would unnecessarily limit this new program's flexibility and capacity to respond to the hiring needs of state government. Instead, I am requesting that DER impose a 50% ceiling, which was the percentage included in my original budget proposal. This will ensure that all segments of Wisconsin's citizenry continue to have open access to state jobs without unduly restricting the flexibility of this important new program.

39. PECFA Expansion

Sections 2328, 2328c and 2328cg

These sections expand coverage under the Petroleum Environmental Cleanup Fund Act (PECFA) program to farm and residential tanks under 1,100 gallons and to nonresidential heating oil tanks. Awards to owners of these tanks would be limited to 5% of the amount appropriated for awards under PECFA.

I am vetoing these provisions because applications for PECFA awards from owners of tanks currently covered by the program are growing at a rate which cannot be supported by the available PECFA funds. The addition of another classification of tanks, which is not required by federal law to be covered by a program such as PECFA, will put unnecessary pressure on the PECFA fund, resulting in higher oil inspection fees and therefore higher gasoline prices.

40. Job Center Networks Extension

Sections 216 [as it relates to s. 20.445 (1) (c)], 345m, 3700m and 3700n

These sections appropriate \$100,000 GPR for the biennium and extend the sunset date for the Job Center program from June 30, 1991 to June 30, 1995.

I am vetoing the entire appropriation and the extension of the sunset because, while the concept of job centers has merit, consolidation of employment and training services to a centralized location can be accomplished without state funding.

41. WisJOBS Extension

Section 216 [as it relates to s. 20.445 (1) (e)]

This provision appropriates \$800,000 GPR in fiscal year 1992-93 for the WisJOBS program. I am partially vetoing this provision because the agencies contracting with the Department of Industry, Labor and Human Relations (DILHR) for the WisJOBS funds did not use the entire grant amounts from the prior biennium and DILHR will therefore be carrying forward \$1.2 million GPR from fiscal year 1990-91 for this program, which should be adequate for both years of this biennium.

42. Notification of Position Openings

Section 2329v

This section changes the requirement that a firm receiving a grant or loan from the state notify the Department of Industry, Labor and Human Relations (DILHR) and the Private Industry Council of any openings in that firm within one year. Under the bill, notification would be required only for positions that are directly related to the grant or loan. In addition, this section contains penalties for noncompliance with these notification requirements, including repayment of funds, suspension of further payments, ineligibility to receive state assistance for five years, and any other remedial action that DILHR deems appropriate.

I am vetoing the provisions setting the specific penalties for noncompliance, because I believe that they are excessively severe. I am leaving the provision that allows DILHR to take the actions that it deems appropriate to the particular circumstance.

43. Youth Apprenticeship Program

Sections 89d and 2329g

Section 89d creates a Youth Apprenticeship Council in the Department of Industry, Labor and Human Relations (DILHR) and specifies the number and term length of council members and the appointing authority for the members. I am vetoing the language that specifies the appointing authority of the members of the council because I believe that all the appointments should be made by the Governor. The Youth Apprenticeship program is an initiative of my administration and by making all appointments to the council I can provide the broadest and most appropriate representation.

Section 2329g authorizes DILHR to provide a Youth Apprenticeship program, requires the council to assist DILHR with the program and prohibits the program from affecting the licensing and registration requirements related to plumbers. I am vetoing section 2329g insofar as it specifies that the Youth Apprenticeship program shall not affect the licensing and registration of plumbers, because that section already states that the program is not to affect existing apprenticeship programs, which would include existing plumbing apprenticeship programs, and because the opportunities of a youth apprentice should not be unfairly limited by such a prohibition.

44. Child Labor Laws

Sections 2333cn, 2333cp, 2333cq, 2333cr, 2333cs, 2333ct and 2333cu

These sections specify, in statute, standards governing child labor, limits on hours of work and work times and circumstances under which a work permit may be revoked.

I am vetoing these provisions because these standards have been set by administrative rule since 1971, which is appropriate for standards that include such details as the number of hours which children of different ages may work. The Child Labor Council has just completed two years of meetings on these standards and has brought its recommendations to the Secretary of Industry, Labor and Human Relations. The proposed rule changes, which include many provisions similar to those in the bill, are currently being scheduled for public hearings and should be implemented within four months.

45. Relocation Law Changes

Sections 1041m and 9136 (1j)

These provisions increase the maximum comparable business payment for displaced owners of owner-occupied businesses and farms from \$50,000 to \$100,000 and request the Legislative Council to conduct a study of the relocation assistance program.

I am vetoing the provision that increases the comparable business payment because I believe that the current compensation of \$50,000, which is the highest compensation amount in the nation and is in addition to other relocation compensation, is adequate. Further, I believe that the higher level of compensation provided for in the bill could increase costs and cause delays in communities' redevelopment efforts.

I am vetoing the provision requesting a Legislative Council study because the budget is an inappropriate place to request legislative studies. The Legislature can direct the Council to do the study if it so desires.

46. Abrasive Cleaning of Historic Buildings

Section 2325e and 9429(3t)

These provisions prohibit abrasive cleaning of the exterior of qualified historic buildings through the use of high-pressure water or certain abrasive agents, such as corncobs, rice husks or sand. The provisions require the Department of Industry, Labor and Human Relations (DILHR) to promulgate rules on abrasive cleaning and the circumstances under which it is allowed. Finally, the provisions provide for a forfeiture for any violation of DILHR rules on abrasive cleaning.

I am vetoing these sections because they interfere with the ability of private property owners to care for their property.

47. Wisconsin Service Corps Program

Section 2330eg

This provision requires that the Department of Industry, Labor and Human Relations (DILHR) request the assistance of representatives of the Wisconsin Conservation Corps, two nonprofit agencies, the Milwaukee Area Technical College, the City of Milwaukee, and the area Private Industry Council in establishing guidelines for the Wisconsin Service Corps Program.

I am vetoing this provision because, as a part of my Central City Initiative, DILHR will be working with a board that includes many of these same representatives. Since the Wisconsin Service Corps will become a part of this initiative, it would be duplicative for DILHR to establish another group to assist in establishment of its guidelines.

48. Migrant Labor Council

Sections 2333cx and 2333cy

These sections eliminate the authority of the Migrant Labor Council to review and approve or disapprove administrative rules on migrant labor that are proposed by the Department of Industry, Labor and Human Relations. I am vetoing these sections because the council is balanced between migrant labor and migrant employers, has expertise in migrant issues and should have the opportunity to review and approve or disapprove proposed administrative rules on migrant labor.

49. Prevailing Wage Applicability

Sections 1559d, 1684r, 2333ag, 2335b, 2339m, 3024m and 9329 (2x)

These sections broaden the applicability of the prevailing wage laws to apply to any person who receives public funds to undertake a private construction project. Specifically, if the state or any municipality provides financial assistance to a person for a private construction project, the state or municipality must require the person receiving the funds and any subcontractor working on the project to pay the prevailing wage to all employees working on the site of the project. The Department of Industry, Labor and Human Relations is responsible for determining the prevailing wage in an area and investigating any alleged violation of these sections.

I am vetoing sections 1559d, 1684r, 2333ag, 2335b, 2339m, 3024m and 9329 (2x) because it is inappropriate to require an individual or company that is promoting economic development in Wisconsin to be subject to the prevailing wage laws. The private developer must be allowed to pay fair market wages if Wisconsin wishes to remain competitive and maintain its good economic position nationwide.

50. Health Insurance Risk Sharing Plan Modifications
Sections 3505, 3505m, 3505w and 9430 (1i)

These provisions change the manner in which the Health Insurance Risk Sharing Plan (HIRSP) premiums are established. Under the bill, premiums will be set to recover at least 60% of the costs of the plan. These provisions also give specific guidance on how costs and premiums should be defined in order to calculate the rates. Finally, these provisions prohibit the Commissioner of Insurance from considering geographical factors in setting premiums.

I am partially vetoing these provisions to require that the rates be set at 60%, but no higher, to remove any ambiguity as to how rates should be established and to allow the commissioner to use geographical rating factors. Implementation of section 3505w would be difficult because it is unclear how unencumbered balances should be considered in the rate setting process, particularly since it may be inappropriate to use an unencumbered balance in a biennial or continuing appropriation to reduce costs or premiums. The provisions that I am vetoing in section 3505 refer to unfunded reductions, which is an ambiguous concept that could make implementation difficult. The effect of my partial vetoes in this section will be to clarify that the commissioner should assess all participating insurers in the manner described in section 3504g for the amount of premium and deductible reductions that exceeds the general purpose revenue premium and deductible subsidy and the insurer assessments in s. 619.135. Finally, I am restoring the option for the commissioner to use geographical rating factors in establishing premiums because this is the fairest method to assess risk and establish premiums. I believe that these vetoes not only clarify the modifications to the HIRSP program but also give the commissioner the necessary flexibility to determine the technical details of setting HIRSP rates.

51. Temporomandibular and Craniomandibular Joint Disorder Mandate
Sections 1154r, 3500v, 3516m and 9430 (4g)

These provisions require coverage by insurers, health maintenance organizations (HMOs), and preferred provider plans of temporomandibular and craniomandibular joint disorder diagnosis and treatment by eligible dentists. They require 100 hours of continuing education on the treatment of the joint disorders for a dentist to be eligible, and they require HMOs and preferred provider plans to include at least two eligible dentists as participating providers.

Although I am sympathetic to individuals who have these disorders, I am vetoing these provisions because health care costs are increasing dramatically and an additional mandate will only add to the pressures causing the increases. Further, the medical community does not fully agree on what causes these disorders and how they are best treated. Consequently, mandating coverage of specific treatments is inappropriate.

52. Mandated Acupuncture Coverage
Sections 1154pm, 2790t, 2790w, 3500u, 3511qf, 3515g, 3515m, 9330 (3x) and 9430 (4c)

These provisions require health insurance policies and health care coverage plans to provide coverage for diagnosis and treatment by an acupuncturist if the policy or plan also covers diagnosis and treatment of the condition by a licensed physician or osteopath. They do not prohibit application of deductibles or other cost-containment measures, but they do prohibit an insurer from requiring an examination or a referral by a physician as a condition precedent for receiving an acupuncturist's services.

I am vetoing these provisions because health care costs have increased and continue to increase dramatically. While acupuncture has helped improve certain persons' ailments, it is not appropriate to add this coverage as a mandate at this time. I find it frustrating that in a time of skyrocketing health care costs, which results in many Wisconsin residents going without needed coverage, the Legislature chose both to delete my proposal for a small employer health insurance plan, which was designed to increase availability and affordability of insurance for small businesses, and to add two new cost-increasing mandates to existing plans.

53. Agent Contracts
Sections 3511q and 9330 (2c)

These provisions prohibit an insurer from cancelling a contract with an agent who writes property or casualty insurance because of the agent's loss experience. I am vetoing these provisions because they interfere with an insurance company's ability to manage its business and because I believe it is inappropriate to require a company to maintain a business relationship that adversely affects its success. While I understand that the intent of these provisions is to increase the number of insurance agents doing business in the City of Milwaukee, I believe that these provisions could have the opposite effect by discouraging insurance companies from hiring new agents in certain high-risk areas in Milwaukee altogether.

54. General Purpose Revenue Funding for the Transaction Information for the Management of Enforcement System
Section 216 [as it relates to s. 20.455 (2) (a) for fiscal year 1991-92]

This provision provides \$262,100 GPR annually to partially fund the costs of two mainframe computers for the Transaction Information for the Management of Enforcement (TIME) system. The TIME system provides state, local and federal law enforcement agencies with access to state and federal criminal record data-banks.

I support the upgrade of the TIME system computers. However, I believe that users of the system should be responsible for some portion of the additional cost. Although there is no language in the budget bill that

authorized this GPR increase for the TIME system, the purpose of the funds was included in a Joint Committee on Finance budget motion. By lining out the Department of Justice's s. 20.455 (2) (a) appropriation, and writing in a smaller amount that deletes the \$262,100 in fiscal year 1991-92 for the TIME system computers, I am vetoing the part of the bill which partially funds this item. I am also requesting the Department of Administration Secretary not to allot these funds.

In addition, the second year of GPR funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that GPR funding not be provided for this provision when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

The operating costs of the system are now funded through charges to agencies using the system. With this veto, a small increase in fees will be necessary to fund the purchase of the computer. In order to continue to fully fund the lease/purchase costs for the new mainframe computers, I am requesting that the Department of Administration Secretary submit a request under s. 16.515 to the Joint Committee on Finance to increase the program revenue expenditure authority for appropriation s. 20.455 (2) (h).

55. Access Plan for the Transaction Information for the Management of Enforcement System
Section 2721m

This section requires that the Department of Justice (DOJ) submit a resource allocation plan for the Transaction Information for the Management of Enforcement (TIME) system to the Joint Committee on Finance, if the average daily message volume exceeds 100,000 for a three-month period. Further, the section requires that DOJ deny new access to the system until the committee approves the plan.

I am partially vetoing the section to eliminate the requirement that access be denied until a submitted plan is approved. I am vetoing this requirement because it may unnecessarily delay a law enforcement officer's access to vital information while the officer is attempting to perform difficult tasks in what may be a dangerous environment.

56. Law Enforcement Officers from Other States
Sections 1608m and 1609m

These provisions authorize sheriffs to deputize law enforcement officers from other states and allow Wisconsin law enforcement officers to aid law enforcement officers in other states under certain conditions. I am vetoing these provisions because a compelling need for this language has not been demonstrated. I believe that any proposals regarding interstate assistance in law enforcement should be advanced as a separate bill to allow thorough legislative and public debate of the issue.

57. Authority to Close Accident and Disaster Sites
Sections 1689e and 2770j

These provisions provide specific authorization for law enforcement agencies to close accident, disaster and investigation scenes and provide exceptions for certain individuals to access these areas. I am vetoing these provisions to maintain current law because, as drafted, the language that allows access to certain individuals may be overly broad. Further, the provisions deal with the complex areas of victims' rights, the relationship between the news media and law enforcement agencies and the ability of rescue and law enforcement personnel to perform their tasks. The complexity of the issues requires that the subject be handled as separate legislation outside the budget process.

58. Crime Victim and Witness Rights and Services
Sections 3634g, 3634h, 3634j and 9335 (2v)

Section 3634g revises s. 950.04, the basic bill of rights for victims and witnesses, to specify that victims and witnesses are to be provided with appropriate intervention services. Section 3634h revises s. 950.05 (1) to encourage counties to offer peer support groups, crisis counseling and related forms of emotional support to crime victims and witnesses. Section 3634j requires the Department of Justice to provide a crisis intervention program in Milwaukee County and allows the department to contract for the provision of this service. In addition, section 216, as it relates to s. 20.455 (5) (a), was increased by \$131,300 GPR in fiscal year 1991-93 and \$175,000 GPR in fiscal year 1992-93 to fund the Milwaukee County crisis intervention program.

I am vetoing sections 3634g and 3634h to eliminate the revision to the rights and programs under Chapter 950 because I believe that the revision will only lead to cost increases in programs that have increased dramatically in size and cost over the past several years.

I am also vetoing section 3634j to eliminate the required crisis intervention program in Milwaukee County. I am requesting that the Department of Administration Secretary place \$81,300 GPR in fiscal year 1991-92 and \$175,000 GPR in fiscal year 1992-93 in unallotted reserve in appropriation s. 20.455 (5) (a) to lapse to the general fund. With this action, I have left \$50,000 GPR in the department's budget in fiscal year 1991-92 to allow the department to work with Milwaukee County and interested groups to establish a crisis intervention program.

59. Drug Abatement Teams
Sections 216 [as it relates to s. 20.455 (2) (dm)], 553m, 3703p, 3703q and 3703r

These provisions allocate \$400,000 GPR funding for the continuation and expansion of the drug abatement teams in the City of Milwaukee. I am vetoing the provisions to eliminate the GPR funding for the program because the budget provides sufficient funding in the form of federal

anti-drug funds to provide a major expansion of the program during the 1991-93 biennium.

60. Handgun Purchaser Record Check Appropriation
*Section 216 [as it relates to s. 20.455 (2) (gr)],
554m, 554n and 9435 (3h)]*

These provisions amend the appropriation created in 1991 Wisconsin Act 11 to receive the fees and fund the activities related to the required background checks of individuals seeking to buy a handgun. The provisions amend the appropriation to change it from a continuing to a biennial appropriation and accelerate the creation of the appropriation. Under 1991 Wisconsin Act 11, the appropriation is not to begin until the effective date of the bill, December 1, 1991.

I am partially vetoing these sections to allow the appropriation to remain a continuing appropriation because the change was unnecessary. The change in appropriation type was to address a possible revenue shortfall in the program's first year of operation. However, under current law, s. 16.513 (3), a deficit in a program revenue appropriation may be adequately addressed and a plan for eliminating the deficit may be adopted with executive and legislative review. My partial veto will retain the amended effective date for the appropriation and provide the Department of Justice with adequate time to hire and train staff to operate the program.

61. City of Milwaukee Police Substations
*Sections 216 [as it relates to s. 20.455 (2) (f)] and
2762q]*

These provisions provide the City of Milwaukee with \$650,000 GPR in fiscal year 1991-92 and \$500,000 GPR in fiscal year 1992-93 to establish two police substations in violent crime neighborhoods. The provisions specify the requirements for receiving the money and for reimbursement to the state by July 1, 1992, if the City of Milwaukee fails to fill at least 50% of the police officer positions that were vacant as of January 5, 1991, by March 1, 1992.

I am partially vetoing these provisions to reduce the fiscal year 1991-92 allocation to \$50,000 and to strike the date specified for reimbursement of funds to the state for failure to fill at least 50% of the vacant officer positions.

Police substations should be a useful tool in fighting violent crime in urban areas. However, I believe that it is only reasonable for the City of Milwaukee and the state to act in partnership on this project. I am willing to approve roughly one-half of the funding; the city will be responsible for the remainder of the costs. By exercising this veto, I want to make it absolutely clear that it is my intent that state funding for this project is one-time only and is intended to provide a demonstration project to test the effectiveness of police substations.

In addition, I am partially vetoing the July 1, 1992 date for repayment of funding by the city if it fails to meet the

requirement on filling vacant positions. I want to ensure that reimbursement of all the funds would be necessary if the city failed to comply with this requirement. I believe that the requirement on filling vacant positions in tandem with state funding for this demonstration project is sound public policy.

62. Department of Justice Office Automation
Section 216 [as it relates to s. 20.455 (3) (a)]

This provision provides \$200,000 GPR annually to expand the Department of Justice (DOJ) office automation project. Although there is no language in the budget bill that authorizes this increase, a Joint Committee on Finance budget motion outlined the purpose of the funding.

DOJ has adequate base resources to continue the office automation project, albeit at a slower pace, and the additional GPR resources are not absolutely necessary during a time of fiscal constraint. By lining out the department's s. 20.455 (3) (a) appropriation and writing in a smaller amount that deletes the \$200,000 annual increase, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

63. Legal Staff
Section 216 [as it relates to s. 20.455 (1) (a)]

This provision provides \$189,200 GPR in fiscal year 1991-92, \$191,400 GPR in fiscal year 1992-93 and authorizes 5.5 additional GPR FTE positions above my original recommendation to increase the staff for the Department of Justice's Division of Legal Services. Although there is no language in the budget authorizing this funding and the additional position authority, motions passed by the Joint Committee on Finance and amendment language from legislative action increased appropriation funding for this purpose.

I do not believe that a significant increase in legal staff is appropriate at this time. The budget bill contains a provision requiring the Department of Justice (DOJ), the Department of Administration and the State Public Defender to work on establishing a methodology for time reporting and case management of state attorney workload. I will resist efforts to significantly increase legal services staffing until that methodology is established and working, unless there is a clearly identifiable cost savings associated with the increase in staff resources.

By lining out DOJ's s. 20.455 (1) (a) appropriation and writing in a smaller amount to delete the \$189,200 GPR in fiscal year 1991-92 and the \$191,400 GPR in fiscal year 1992-93 for these positions, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

64. Wausau Crime Laboratory Report
Section 9135 (2n)

This provision requires the Department of Justice (DOJ) to report to the Joint Committee on Finance regarding the reallocation of drug cases from the Madison crime laboratory to the newly opened crime lab in Wausau. The department is required to report to the Committee on the effective date of this subsection or September 1, 1991, whichever is later. I am partially vetoing this provision to eliminate the reporting date. While I concur on the need for the report, I do not believe that the reporting date will provide DOJ adequate time to fully evaluate the existing workload for the Wausau laboratory and make a determination of reallocation of cases from the Madison laboratory. I would anticipate that the department should be able to issue the report by the spring of 1992.

65. Drug Checkpoints
Section 3232d

This provision prohibits state and local law enforcement officers from stopping vehicles without reasonable cause to check for violations of several state laws and local ordinances enacted in conformity with state law. I am partially vetoing this provision to allow the state and local law enforcement officials to retain their authority under current law to enforce state safety inspection and vehicle weight laws. To accomplish this, I am partially vetoing the language to exclude Chapters 347 and 348 from coverage under the provision.

In order to exclude Chapter 347 and 348 from coverage under the provision, my partial veto also removes from the coverage local ordinances regarding drug paraphernalia and possession of marijuana. In order words, local law enforcement officers will be able to operate drug checkpoints, but only for local ordinances relating to drug paraphernalia and possession of marijuana. I intend to introduce remedial legislation to fully correct the provision in the fall legislative session.

66. Administration of Federal Anti-Drug Abuse Funds
Sections 216 [as it relates to s. 20.455 (2) (kd)], 557m, 2732g, 2732m, 2738c, 2739c, 2740c, 2741c, 2742c, 2743c, 2744c, 2745c, 2746c, 2747c, 2748c, 2749c, 2750c, 2751c, 2752c, 2753c, 2754c, 2755c, 2756c, 2757c, 2758c, 2759c, 2760c, 2761c, 2762c and 9135 (2L) (intro)

These provisions direct the Department of Justice to administer a portion of federal anti-drug abuse grant funds relating to local drug agents.

I am vetoing these provisions because these grants are more appropriately administered by the Office of Justice Assistance in the Department of Administration, which administers all other federal antidrug abuse grants provided to local governments. I am requesting that the Office of Justice Assistance provide grants for local drug agents in the amounts provided in these vetoed

provisions. This change will maintain the local drug agents grant program while providing a more streamlined application process for local applicants.

In addition, I am partially vetoing section 9135 (2L) (intro) to strike an inappropriate reference to the victim and witness assistance program. The Department of Justice will not receive federal anti-drug abuse funds for this program and this reference is not necessary.

67. Anti-Drug Abuse Funding Review
Section 31p

This section requires that the Governor, by January 1, 1992, submit to the Joint Committee on Finance and appropriate legislative standing committees a proposal for the expenditure of anti-drug abuse law enforcement funds. This proposal may be approved, modified or disapproved by the Joint Committee.

I am vetoing this provision because it is unnecessary. Allocation of federal anti-drug funds is routinely made through the biennial budget process, which includes significant legislative participation. Also, federal regulations require that the Office of Justice Assistance in the Department of Administration submit its plan for use of the anti-drug abuse funds to the Legislature for comment.

68. Expedited Arbitration Procedures for Whistleblower Cases
Sections 3049m, 3050, 3050abd and 3050abe

These sections establish expedited arbitration procedures for actions involving retaliation for state employee whistleblowing. I am vetoing sections 3049m, 3050abd and 3050abe and partially vetoing section 3050 because I have proposed and the Legislature has maintained in this act a procedure that will allow a complainant to waive the Personnel Commission's standard investigation and proceed directly to hearing before the commission. I believe this waiver provision will substantially improve the commission's ability to process all types of cases in a timely manner, rendering the need for separate procedures for whistleblower cases unnecessary.

69. Waiver of Personnel Commission's Complaint Investigation
Sections 3049 and 9143

These provisions limit an initiative that I proposed to allow a complainant to waive the Personnel Commission's complaint investigation process and proceed directly to a hearing before the commission. Specifically, these provisions sunset this waiver option as of December 31, 1993 and require the Commission to report by January 1, 1993 to the Governor and Legislature regarding recommendations for continuing the waiver procedure. I am vetoing these limiting provisions because I do not believe they are warranted. This new waiver procedure simply provides another option to complainants and is expected to mark a substantial improvement in the commission's ability to process cases in a timely manner.

70. Private Investigators for the State Public Defender
Section 3659g

This section requires the State Public Defender to compensate private investigators contracted by the agency for work in Milwaukee County at a minimum rate of \$20 per hour. I am vetoing this provision because it will only serve to increase the costs of state representation of indigent clients in Milwaukee County and it causes inequitable treatment of private investigators hired by the agency in other counties.

71. Pari-Mutuel Tax Increase
Sections 3465, 3466, 3467 and 3468

These provisions increase the pari-mutuel tax rates in three phases, starting on January 1, 1994. I am partially vetoing these provisions so that the rates which would have been effective starting January 1, 1995, will be effective on and after January 1, 1993. Before January 1, 1993, the current rates will remain in effect. I believe that the industry can sustain higher tax rates, given that Wisconsin's current pari-mutuel tax rates are some of the lowest rates in the nation. Further, when the rates were first set, the high level of interest in establishing and visiting racetracks wasn't known.

72. Special Programs
Section 279g

This section appropriates \$200,000 PR-O from racing proceeds to three organizations in fiscal year 1992-93. The University of Wisconsin school of veterinary medicine is to receive \$75,000 for greyhound research, gamblers anonymous is to receive \$75,000, and humane societies are to receive \$50,000. After fiscal year 1992-93, any amounts remaining after transfers to the Department of Agriculture, Trade and Consumer Protection (DATCP) are to lapse to the general fund.

I am partially vetoing this section to eliminate the transfers to gamblers anonymous and humane societies for several reasons. My original budget request was for any funds remaining in the Racing Board appropriation at the end of a fiscal year to lapse to the general fund, after the Racing Board retains an amount equal to 10% of its expenditures and the transfers to DATCP are made. In addition, groups associated with gamblers anonymous indicated during the budget process that they would not accept any donations of this kind, and humane societies are traditionally funded by private donations, not state funds. I am requesting that the Department of Administration Secretary place \$125,000 PR-O in unallotted reserve in appropriation s. 20.192 (2) (lm) in fiscal year 1992-93.

73. License Application Moratorium
Section 3464ng

This section prohibits the Racing Board from issuing first licenses for greyhound or combined horse-greyhound race tracks during the period beginning with the effective date of this bill and ending May 18, 1994. I am vetoing this section because it is the responsibility of

the Racing Board to determine whether an applicant is qualified to receive a track license and whether awarding a particular license would be in the public interest and not cause adverse competition with existing licensees.

74. Admissions Tax
Sections 3475em, 3475ep and 9447 (2gn)

These provisions require greyhound racetracks to collect 25 cents per admission and distribute it to the municipality in which the track is located, if the municipality, by ordinance, requires that the track do so. This is in addition to the 50 cents collected under current law and split between the municipality and the county in which the track is located. I am vetoing these provisions because municipalities already receive 25 cents per admission to cover costs associated with providing local services to the tracks.

75. Appraiser Regulation
Sections 3305, 3417nm, 3417p, 3417s, 3419d, 3419e, 3419g, 3420e, 3420f, 3420g, 3420h, 3420i, 3420j, 3420k and 3420m

These provisions create a second level of regulation of residential appraisers. Applicants for licensure as appraisers would be subject to fewer requirements than applicants for the current appraiser certification. These provisions set fees, define terms, and set education and other licensing requirements.

I am partially vetoing these provisions to remove the term "residential" in reference to licensed appraisers. Licensed appraisers should not be limited to residential appraisals. As entry-level appraisers, they should also be allowed to complete commercial and agricultural appraisals. The federal government recommends that states implement two levels of regulation, to include certification and licensure. It also specifies the requirements for obtaining a certificate or license and the limits on the appraisals which each level can perform. While my vetoes technically remove one of the limits on residential appraisals, this should not be construed to mean that licensed appraisers are not subject to limits on their practice. The Department of Regulation and Licensing will place limits, based on federal requirements, in rule. Currently, licensed appraisers are limited by federal government guidelines to residential appraisals with a transaction value of less than \$1 million and commercial or agricultural appraisals with a transaction value of less than \$250,000.

In this initial phase of regulation of appraisers, allowing licensed appraisers to complete both residential and general appraisals will ensure that an adequate number of appraisers to comply with federal requirements are licensed or certified. Finally, I am vetoing the provision in section 3305 pertaining to appraiser renewal fees to remove the duplication between s. 440.05 (2) (a) 10r and 12 and to clarify that there are certified residential and general appraisers and licensed appraisers.

76. WHEDA Membership
Sections 3051c, 3051g and 3051m

These provisions designate the Department of Development (DOD) Secretary as a nonvoting member, and add the Administrator of the Division of Housing in the Department of Administration (DOA) as a nonvoting member of the Wisconsin Housing and Economic Development Authority (WHEDA). I am partially vetoing these provisions so that the DOD Secretary (or a designee) and the DOA Secretary (or a designee) are voting members of WHEDA. This veto is necessary to ensure adequate coordination between WHEDA, DOD and DOA with regard to each entity's housing and economic development activities.

77. Center for Integrated Living Grants
Sections 9128 (2g) and 9129 (4d)

Section 9128 (2g) directs the Wisconsin Housing and Economic Development Authority (WHEDA) to provide a grant of \$140,000 in both fiscal year 1991-92 and fiscal year 1992-93 to the Center for Integrated Living for operation of a housing counseling center. In addition, Section 9129 (4d) directs the Department of Industry, Labor and Human Relations (DILHR) to evaluate the effectiveness of the center. I am vetoing these sections because I believe that WHEDA funds for operation of a housing counseling center should be provided through a competitive process for funding, as has been past practice. I am requesting that WHEDA designate \$140,000 in each fiscal year of the state's upcoming biennium to be allocated through a competitive grants process for operation of a housing counseling center in the Milwaukee metropolitan area.

Also, I believe that any review of the center's effectiveness is more appropriately conducted by the Legislative Audit Bureau rather than DILHR. DILHR's role regarding fair housing laws is a regulatory one; it does not typically perform evaluations of effectiveness.

78. Wisconsin Development Reserve Fund Balance Transfer
Section 3126

This provision establishes under the jurisdiction and control of the Wisconsin Housing and Economic Development Authority (WHEDA) the Wisconsin development reserve fund for the purpose of providing funds to support the following programs: (a) recycling loan guarantees (s. 234.67); (b) small business loan guarantees (s. 234.765); (c) business improvement loan guarantees (s. 234.82); (d) targeted development loan guarantees (s. 234.83); (e) agricultural production loan guarantees (CROP) (s. 234.90); (f) agricultural production drought assistance loan guarantees (s. 234.905); (g) agricultural development loan guarantees (s. 234.907); and (h) cultural and architectural landmark loan guarantees (s. 234.935). WHEDA is required on June 30 of each year, until no balance remains in the reserve fund, to transfer to the general fund any balance in the reserve fund that is not needed for the programs

supported by the reserve fund. When determining the amount of the balance to transfer, WHEDA is authorized to retain an amount sufficient to cover all outstanding claims backed by the reserve fund and an amount sufficient to support the guarantees authorized under the above-listed programs. At the time of the balance transfer, the executive director of WHEDA is required to provide to the Department of Administration Secretary and to the Joint Committee on Finance a signed statement listing the amounts retained to pay outstanding claims and to fund guarantees under each of the programs backed by the reserve fund. The statement submitted by the executive director must also include an explanation of how each of the amounts was calculated or otherwise determined. Notwithstanding the above provisions, WHEDA is required on June 30, 1993, to transfer from the Wisconsin development reserve fund to the general fund the balance as calculated above or \$5,130,000, whichever is greater.

I am partially vetoing this provision to remove the requirement that WHEDA transfer from the Wisconsin development reserve fund to the general fund the greater of \$5,130,000 or the amount calculated under s. 234.93 (4) (a) because the \$5,130,000 figure should be treated as a GPR-earned estimate, not established in statute. As is the case under current law, the amount of the balance transfer relating to the sunset of the CROP legislation will depend on the actual default rates relating to CROP as well as the default rates of the other programs supported by the reserve. To the extent that default rates vary from WHEDA's original estimates, so will the amount of funds that can be transferred back to the general fund. Requiring a fixed amount for the transfer does not allow for fluctuations in actual default rates and could undermine all of the programs supported by the reserve if actual default rates exceed WHEDA's original estimate.

My partial veto of this section removes the statutorily required balance transfer amount, but this amount will remain in the general fund condition statement as a GPR-earned estimate. The bill retains the balance transfer as described in s. 234.93 (4) (a) and the requirement that the executive director of WHEDA document to the Department of Administration Secretary and the Joint Committee on Finance how the balance to be transferred was calculated.

79. Economic Development Bonding Authority
Section 3063m

This provision extends the authority of the Wisconsin Housing and Economic Development Authority (WHEDA) to issue bonds for economic development activities to December 31, 1993. I am vetoing this provision because 1991 Wisconsin Act 37 repealed s. 234.65 (1) (cm) thereby removing the sunset on WHEDA's authority to issue bonds for economic development activities. It is my intent that WHEDA's bonding authority for economic development activities

be permanent, as was provided for in 1991 Wisconsin Act 37.

80. Audit of the Wisconsin Development Reserve Fund

Section 9136 (3q)

This provision requests the Legislative Audit Bureau to conduct a financial audit and a performance evaluation of the Wisconsin development reserve fund established under s. 234.93 in the Wisconsin Housing and Economic Development Authority (WHEDA). I am vetoing this provision because enumeration of the audit in the budget is unnecessary. The Legislature can request such an audit through its Joint Audit Committee.

81. Interest Rate Exchange Agreements

Sections 201L and 201m

The budget bill authorizes the Building Commission to use interest rate exchange agreements as debt management instruments. These agreements can be used to reduce interest costs to the state in certain circumstances. An interest rate exchange agreement can be a mechanism for effectively converting the interest rate paid on fixed-rate debt to a floating rate or vice-versa, without actually converting or refunding the existing debt.

I object to two provisions that were added to my original budget language. Section 201L requires the Building Commission to adopt written policies defining the structure, conditions and acceptable risks to be considered in order to use such exchange agreements. Section 201m requires the Department of Administration to report annually to the Building Commission and the Joint Committee on Finance on the use and amount of exchange agreements and the savings from such agreements.

I am vetoing both of these provisions because current law authorizes the Building Commission to prescribe its own policies and reporting requirements.

82. State Building Program — Lease of Correctional Facilities

Sections 21r and 21s

The provisions under section 21r authorize the Building Commission to lease any facility to be constructed for use of the Department of Corrections and establish several requirements that the lessor must meet to qualify for the construction of a new correctional facility to be leased by the state. The provisions under section 21s provide that the Commission may either lease an existing facility or have a facility constructed by a lessor for use by the Department of Corrections.

I object to the restrictions imposed by this language and am partially vetoing it to retain the legislative intent permitting the leasing of correctional facilities, but have modified it to allow the Building Commission either to enter into a lease for construction of a new facility or to

lease an existing facility with an option to purchase if a satisfactory facility becomes available. With these changes, the language under section 21s becomes redundant and I am vetoing it. The ability to lease an existing facility may enable the Commission to respond to the need for prison beds more quickly than through new construction. The necessary requirements the lessor must meet can be established by the Building Commission in response to specific situations and need not be part of the statutes.

83. State Building Program — Conversion of Atherton Hall

Section 9108 (1) (b) 1 [as it relates to additional beds for female inmates as part of the Authorized State Building Program]

This provision authorizes \$6.6 million in general fund supported borrowing for conversion of the Atherton Hall residential and office facility into a correctional facility for female inmates, providing 20 maximum security and 50 minimum security beds. It also authorizes an assessment and evaluation center.

I concur in the need for additional beds, but I object to the specification of the numbers, types and location of beds. Because of a recent consent decree limiting the number of beds at the Taycheedah Correctional Institution it is important that the Building Commission retain authority and flexibility to convert additional beds in the kinds, quantities and locations needed.

The creation of another assessment and evaluation center at Atherton Hall may duplicate other facilities and could result in substantial increases in both construction and operating costs to the state. In view of these objections, I have partially vetoed the specific limitations contained in this provision to permit the Building Commission to further evaluate these issues, to determine the most costeffective location of these facilities in terms of construction and operating costs and to respond to the need for additional beds for female inmates as necessary.

84. State Building Program — Expedited Construction of Correctional Facilities

Section 9112 (2w)

This provision directs the Department of Corrections to request the Building Commission to expedite construction of any correctional facilities enumerated in the budget bill by approving the planning and design, bidding for construction and award of contracts for construction of the facilities simultaneously. I am partially vetoing this to retain the legislative intent to expedite construction of any correctional facilities but to delete the portion spelling out how that is to be achieved. The Building Commission should evaluate any and all means of expediting the construction of correctional facilities and should not be limited to the procedures included in this provision.

85. State Building Program — Correctional Institution Locations and Authorized Additional Beds

Sections 1237 [as it relates to s 301.16 (1n)], 3128x, 3129gd, 3131 [as it relates to s. 301.16 (1n)] and 9108 (1) (b) 1 [as it relates to locations and numbers of additional beds in correctional facilities]

These provisions commit the state to constructing correctional institutions in specific locations and specify the number of additional beds authorized at each site. Unfortunately, the Legislature adopted a prison package wholly inadequate to meet the immediate and pressing needs of Wisconsin's correctional system. I am exercising my partial veto to delete reference to specific sites because I believe the Department of Corrections and the Building Commission must retain the flexibility to place immediately needed prison beds in those locations where they can be constructed or acquired in the least amount of time and at the least cost. It is my intent that this include the expansion of existing institutions or the construction or acquisition of new institutions.

I still support the construction of a prison in Jackson County, but beds are needed sooner than they can be constructed at the Jackson County site. Legislation is currently pending which would authorize the construction of a prison in Jackson County. If the Legislature acts on this bill in a timely fashion, completion of a prison at this site will not be delayed. The Ten-Year Corrections Development Plan prepared by a team of independent consultants emphasized that the first step in responding most quickly to the need for prison beds should be to expand existing facilities. My partial veto will permit the Building Commission to heed the advice of the consultants.

I am also partially vetoing the specific number of additional beds authorized for correctional institutions under the Authorized State Building Program to permit the Department of Corrections and the Building Commission to maximize the number of beds to be added within the dollar amounts authorized for prison construction. In executing this partial veto, I challenge both the department and the commission to maximize the number of beds to be added, to expedite their construction and to do so in the most cost-effective manner.

86. State Building Program — Study of Wisconsin Conservation Corps Facility in Adams County
Section 9108 (21z)

This provision mandates a Building Commission feasibility study of establishing a Wisconsin Conservation Corps (WCC) facility in Adams County. I am vetoing this requirement because the WCC board did not include a request for the study as part of its budget request and does not see a need for such a facility. The WCC normally recruits and hires near the area of the construction site or within commuting distance and

would not be in need of a residential facility, as suggested in this language. In view of these circumstances, it would be a waste of time and money to do an unnecessary study.

87. State Building Program — Requirement For Enumeration of WISTAR Projects
Section 21p

This provision provides that, in carrying out the Wisconsin Initiative for State Technology and Applied Research (WISTAR) program, the Building Commission may authorize new construction projects and projects to repair and renovate existing research facilities and supporting systems in accordance with s. 20.924 (1), which requires enumeration of any project costing more than \$250,000. While I agree with the requirement to enumerate new construction projects, repair and renovation and health and safety projects have not been required to be enumerated since the passage of Chapter 34, Laws of 1979. Imposing this requirement now on projects involving human health and safety would be a step backward and would set a bad precedent. Many of the WISTAR repair and renovation projects deal with fume hoods and other safety-related issues, and the University of Wisconsin and the Building Commission must have the flexibility to respond to the highest priority human health and safety needs regardless of whether the project may or may not have been enumerated. I have thus partially vetoed this provision to delete the reference to s. 20.924 (1) and the requirement to enumerate WISTAR projects.

88. State Building Program — Enumerated WISTAR Repair and Renovation Projects
Section 9108 (1) (n) 1 and (8)

These provisions contain enumerations in the State Building Program of 12 WISTAR repair and renovation projects costing \$27,555,000 that were added in the budget by the Joint Committee on Finance. I object to these projects because they were not specifically reviewed and recommended by the Building Commission as part of the normal prioritysetting and funding process. Enumeration of these projects conflicts with other portions of the budget, which do not provide sufficient bonding authority to fund these projects in the 1991-93 fiscal biennium. The University of Wisconsin and the Building Commission must have the ability to respond to the most pressing needs, especially in relation to those affecting human health and safety. I am vetoing the list of 12 repair and renovation projects and partially vetoing a cross reference contained in Section 9108 (8) to give the Building Commission the flexibility to respond to the highest priority needs for WISTAR projects and other repair and renovation, health and safety or other all-agency projects during the biennium.

89. State Building Program — WISTAR Sunset
Section 9108 (16)

This provision establishes the WISTAR program but adds that the language does not apply after June 30,

1993. WISTAR is intended to be an 8-year program to construct new research facilities and to repair and renovate existing research facilities. This sunset provision places the program in limbo at the end of the 1991-93 biennium and does not convey the commitment I intended when I introduced the program in the Building Commission. It is also inconsistent with the creation of long-term borrowing authority for the program under s. 20.866 (2) (z). I am partially vetoing this provision to delete the sunset date of June 30, 1993.

90. State Building Program — Joint Committee on Finance Approval of Building Projects
Section 9108 (5) and (12) [as it relates to approval of building projects]

The budget bill extends limited new authority to the Building Commission to approve construction projects costing in excess of \$250,000 that are not specifically enumerated if the funding source is federal grants or private gifts or grants. This expansion in authority for the Commission is desirable and needed. However, these provisions also require that the Joint Committee on Finance (JCF) also must approve any such projects. In addition, JCF approval is required for construction of new training and military academy facilities and a consolidated support maintenance shop at Camp Williams if the necessary federal funds become available to the Department of Military Affairs.

I object to the JCF approvals included in these two provisions. Wisconsin should have procedures in place to maximize the use of federal and private gifts and grants when they become available to meet construction priorities. The Building Commission, which meets monthly, is in a position to do just that. The Legislature has entrusted the approval of building construction projects to the Building Commission for many years and that system has worked very well. A further level of review of gift and grant projects by another legislative committee is unnecessary. I am vetoing the additional requirements for JCF approval of gift and grant projects with the confidence that the Building Commission can exercise this authority very responsibly.

91. State Building Program — Ethan Allen School Construction Moratorium
Section 21v

This provision creates a statutory moratorium on the construction of any additional cottages at Ethan Allen for two years after the completion of the 30-bed secure housing unit authorized under this bill, which is scheduled to be completed in 1993. In effect, it would not permit any expansion of cottages at Ethan Allen until 1995. The state has only two facilities for juvenile corrections, Ethan Allen and Lincoln Hills. If additional cottages are needed due to increased populations, the Building Commission should have the ability to select the best and most cost-effective site for expansion. Although no expansion is planned at this time, there should be no artificial statutory barriers to expansion if it should

become necessary. I am vetoing this provision to retain that flexibility.

92. State Building Program — Secure Housing at Ethan Allen School
Section 9108 (21x)

This provision directs the Building Commission to ensure that the new secure housing unit at Ethan Allen School is constructed to withstand abuse resulting from intensive usage. The Department of Health and Social Services has specified in its program for the building that it must be constructed to the same standards as an adult corrections segregation unit, and the architect has been so instructed. The provision directing the Building Commission how to do its job is superfluous and I am vetoing it. As Chair of the Building Commission, I will ensure that the building is constructed to withstand abuse.

93. State Building Program — Date For Building Commission To Submit Biennial Recommendations
Section 20n

This section requires the Building Commission to prepare and formally adopt its recommendations for the long-range building program and transmit those recommendations in the form of proposed legislation to the Joint Committee on Finance prior to March 15 of each odd-numbered year. In each of the last two biennia, the Commission has not been able to meet in order to take final action on the Building Program until mid-March. Some logistics of preparing its recommendations are beyond the Commission's control. For example, despite the urging of the administration to move up the date, the Board of Regents does not adopt its Building Program requests until December of the even-numbered year, making the March 15 date very unrealistic. Once decisions are made, it takes roughly three weeks to print the recommended Building Program document and roughly four weeks to draft the necessary legislation. While I believe the March date is unrealistic, I will ask the Department of Administration to evaluate the process and determine what can be done to provide recommendations to the Committee in a more timely fashion. With this commitment on my part, I am partially vetoing this provision to delete the March 15 deadline.

94. State Building Program — Location of New Training Site and Military Academy
Section 9108 (12) [as it relates to location of a new training site and military academy]

This provision provides authority for the Building Commission to approve the construction of a new training site and military academy and a consolidated support maintenance shop at Camp Williams during the 1991-93 biennium, contingent upon the receipt of the necessary federal funds. While the original intent of this project expressed by the Department of Military Affairs was to construct the new training site and military

academy at Camp Williams, the Adjutant General has subsequently completed a study concluding that it will be in the best interest of the National Guard to locate the facility at Fort McCoy.

I believe there should be further evaluation of the location question prior to making a final decision. Consequently, I am partially vetoing the requirement that the training site and military academy be located at Camp Williams to permit the Building Commission to make a final decision on the siting based on facts presented by the Department of Military Affairs.

95. Earmarking of Child Care Clearinghouse Funds
Section 9137

This section stipulates that the funding included in the budget for a project position for the Child Care Clearinghouse may be used only for the purpose of supporting that Child Care Clearinghouse position in the Office of the Lieutenant Governor.

I am vetoing this section because earmarking funds and staff responsibilities will restrict managerial flexibility and discretion in the office's operations.

96. Approval of Certain State Agency Reorganizations
Sections 53m and 53n

These sections provide that the Governor may not approve any internal reorganization of a state agency unless the head of the agency has submitted a letter to the Governor and the Department of Administration Secretary identifying the estimated costs of the proposed reorganization and stating whether the estimated costs of the reorganization will be funded within the agency's existing base level of funding. If increased funding is required, a copy of the letter must be sent to the Joint Committee on Finance (JCF); and that the Governor may not approve the reorganization until additional funding has been provided by the Legislature or by action of the JCF.

I am vetoing these sections because a Governor has the authority to carry out the administrative functions of state government efficiently and effectively within the policy limits established by the Legislature. Restricting reorganization proposals of the executive branch agencies impinges on the separation of powers of the separate branches of government.

97. Study of Compensation and Benefits of State Officials
Section 9160 (4g)

This provision creates a special committee chaired and appointed by the Chief Clerks of the Senate and Assembly to study the salaries, fringe benefits, expense reimbursement procedures and other aspects of compensation for state constitutional officers, members of the Legislature, Justices of the Supreme Court, Court of Appeals judges and Circuit Court judges. The committee is required to complete its study by December

31, 1991, and report the results of the study, together with recommendations, to the Governor and the Joint Committee on Employment Relations no later than January 31, 1992.

I am vetoing this provision because the Department of Employment Relations has the statutory responsibility to establish a consistent and equitable salary-setting mechanism for all elected officials and make recommendations for changes to the Joint Committee on Employment Relations.

98. Public Participation in Redistricting Process
Sections 216 [as it relates to s. 20.765 (1) (e)], 652d, 652e, 9136 (5y) and (5z) and 9436

These provisions direct the Joint Committee on Legislative Organization (JLO) to provide appropriate facilities and equipment to permit public participation in the congressional and legislative redistricting process in this state in response to the 1990 federal decennial census. They also provide 2.0 project positions and funding for two computer stations.

I object to the use of additional resources to carry out this program and by my veto I have deleted the 2.0 positions and the \$174,400 GPR appropriation provided. I have also deleted a requirement that two computer stations be located in Milwaukee, since JLO can determine where such placements should be made. However, my veto leaves in place the statement of legislative intent that a public participation program be carried out by the JLO, without any additional funding.

99. Public Sector Efficiency Study
Section 9136 (5t)

This provision requests the Legislative Council to appoint a special committee to study methods of achieving economies of scale and promoting efficiency in providing public services. The Legislative Council is to report its findings, conclusions and recommendations on or before January 15, 1993, to the Legislature.

I am vetoing this section because it reduces the Legislative Council's flexibility in selecting other studies to be undertaken. While the session law only "requests" and does not "require" the study, the Legislative Council may still feel compelled to undertake the study if the request were to remain in the law. The Legislative Council can always undertake such a study on its own motion.

100. Legislative Reference Bureau Drafting Privileges
Sections 24s and 24t

These provisions specify that only legislators, legislators-elect, legislative committees or state agencies may utilize the drafting services of the Legislative Reference Bureau.

I am vetoing these provisions as unnecessary because the Legislature's Joint Rule 51 already covers the use of the Reference Bureau's services.

101. Lobbying Fees Sunset Dates

Sections 23m, 24kk, 24kkk, 24mm, 24mmm, 24nn, 24nnn and 9422

These sections establish sunset dates for lobbying fee increases inserted by the Legislature in this budget to fund the costs of administering Wisconsin's lobbying laws. In companion sections, the Ethics Board is directed to study the matter of lobbying fees and ongoing financing of lobby law administration and to report back to the Legislature by January 1, 1992, so that it may reconsider the issue.

I am vetoing the sections which repeal the higher lobbying fee for nonprofit organizations on July 1, 1992, and fees for other lobbyists on July 1, 1993, to ensure that adequate revenues will be available for program administration until the time that the Legislature acts to replace the fees that it has included in this budget. If the Legislature did not adopt a replacement fee and financing structure before the sunset dates became effective, revenues collected thereafter would not be adequate to cover program costs.

102. Secretary of State Required Lapse

Section 9160 (1xg)

This provision specifies lapses and expenditure reestimates for certain agency appropriations included in the budget to help balance the general fund. I am vetoing the provision which prescribes a lapse from the Office of the Secretary of State's general purpose revenue appropriation because all GPR funding was removed in the budget and replaced with program revenues.

103. Disaster Relief

Section 9141 (2t)

This provision directs the Division of Emergency Government in the Department of Military Affairs to allocate \$75,000 GPR to pay certain named municipalities for a portion of costs incurred to repair damage done by a windstorm. I object to funds being earmarked for certain communities' disaster relief when there are many more municipalities in the state which have suffered wind and storm damage in recent months that will not have such targeted consideration. The effect of my veto will permit the division to direct its relief efforts and budgeted resources to ends that serve the broadest and greatest need in our state.

C. Tax Policy

1. Individual Income Tax — School Property Tax/Rent Credit

Sections 1766e, 1766g, 1766i and 9349 (13x) [as it relates to the school property tax credit limit]

These sections limit eligibility for the longstanding 10% school property tax/rent credit on individual income tax returns to renters. Under these sections, homeowners would not be eligible for this income tax credit starting with taxable years beginning on January 1, 1991.

I am vetoing sections 1766e, 1766g and 1766i and partially vetoing section 9349 (13x) because most homeowners will see their income taxes increase as a result of the loss of this credit. Of the more than 3 million persons who have Wisconsin income tax records for taxable year 1989, over 50% were homeowners who were eligible for this credit. The loss of this credit is estimated to increase state income tax payments by Wisconsin residents by \$143.0 million and \$152.5 million in fiscal years 1991-92 and 1992-93, respectively. Many homeowners have come to rely on the significant property tax relief that this credit affords and would be burdened by a tax increase of this magnitude.

My veto will prevent a major state income tax increase by restoring this credit to homeowners.

2. Individual Income Tax — Capital Gains

Exclusion: Holding Period

Sections 1760g and 9349 (2x) [as it relates to s. 71.05 (6) (b) 9]

Under current law, Wisconsin provides a capital gains exclusion for 60% of net long-term gains from the sale of assets held for at least one year. Gains from assets held for less than one year are taxed as ordinary income. This provision changes the holding period to qualify for the 60% exclusion from one year to five years, with an exception for farm livestock. Under the provision, for farmers with nonfarm income of \$50,000 or less, livestock held more than one year receives the 60% capital gains exclusion. These changes would first apply to taxable years beginning on January 1, 1991.

I am vetoing this provision because the change in the holding period would harm the state's business, investment and tax climate. Moreover, this change in the capital gains exclusion creates new administrative difficulties, and increases the already formidable complexity of filing individual income taxes.

Wisconsin is one of only six states that provides an exclusion for capital gains. This exclusion sends a message that Wisconsin will encourage risk-taking and entrepreneurship and that Wisconsin will tax only real — not inflation-based and thus illusory — capital gains. This tax policy has sent a strong signal to all investors that Wisconsin is a good place to invest.

My veto eliminates GPR tax increases of \$21.0 million in fiscal year 1991-92 and \$23.9 million in fiscal year 1992-93.

3. Individual Income Tax — Capital Gains in the Minimum Tax

Sections 1780m and 9349 (2x) [as it relates to s. 71.08 (1) (a)]

Under current law, Wisconsin provides a capital gains exclusion for 60% of net long-term gains from the sale of assets held for at least one year. The exclusion is not considered a tax preference item for purposes of the individual alternative minimum tax (AMT). Under the provisions of the budget bill, starting with taxable years

beginning on January 1, 1991, the exclusion is considered a tax preference item and is subject to the alternative minimum tax.

I am vetoing these provisions because making the excluded 60% of capital gains a tax preference item for the AMT harms the state's business, investment and tax climate. These provisions reverse most of the positive effects of the capital gains exclusion. To remove with the AMT the incentive that is provided with the capital gains exclusion breaks faith with investors who have made decisions based on the existence of the capital gains exclusion.

My veto eliminates GPR tax increases of \$12.0 million in fiscal year 1991-92 and \$12.4 million in fiscal year 1992-93.

4. Individual Income Tax — Deduction for the Medical Insurance Costs of Self-Employed Persons

Section 1760r

Under current federal law, a self-employed person is allowed to deduct from gross income 25% of the amount paid during the taxable year for medical insurance costs of the person and his or her spouse and dependents. This deduction is one of the steps in the calculation of federal adjusted gross income (AGI). Since federal AGI is the starting point for the calculation of the Wisconsin income tax, the amount deducted for federal purposes is already removed from the person's Wisconsin tax base. Although the federal deduction is scheduled to expire on December 31, 1991, it is quite possible that this deduction will be extended.

For taxable years beginning after December 31, 1991, and before January 1, 1993, the budget bill allows a self-employed person to subtract 25% of the amount paid during the taxable year for medical insurance costs from federal AGI in the calculation of Wisconsin AGI. The subtraction is raised to 50% of eligible costs for taxable years beginning on or after January 1, 1993.

I am vetoing this provision for several reasons. First, the additional benefit to self-employed persons is small relative to the administrative cost. Second, it is likely that this deduction will be retained at the federal level. The state then could adopt the 25% deduction for taxable year 1992 by remaining in conformity with federal law. This issue can be addressed in the budget adjustment bill to be submitted in January, since more information on federal action will be available then.

I am sympathetic to this provision's intent to address the ability of people to pay the costs of health care insurance. I will review this proposal again in the future as I address health care and health insurance reform as part of a comprehensive approach to health care issues.

This veto increases GPR state tax revenues by \$2.4 million in fiscal year 1992-93.

5. Individual Income Tax — Small Business Stock Capital Gains Exclusion

Sections 1739d, 1739h, 1739p, 1739t, 9349 (44) and 9449 (26)

These provisions change some of the requirements that corporations must meet to be considered a "small business" for purposes of the small business stock capital gains exclusion. Specifically, these provisions: (a) prospectively change the timing of certification that an eligible business must provide to the taxpayer; (b) make different retroactive and prospective changes to the time period during which compliance with the limitations on certain receipts, number of employees and amount of property in Wisconsin is measured; and (c) make a retroactive change to the date on which a corporation could not have stock that is listed on major stock exchanges.

I am vetoing these provisions because they significantly complicate business record-keeping. Moreover, some stock that qualifies as small business stock under current law may not qualify under these provisions.

The reporting and filing of tax information already consumes too much productive time. Any revisions to the small business capital gains exclusion must be coherent, consistent and understandable. These provisions make this part of the state's tax law more complex and would require even more record-keeping time from business and individual tax filers.

These provisions also may be unfair to taxpayers currently holding stock that now qualifies for the capital gains exclusion. By retroactively changing the time periods during which businesses must meet certain requirements, these provisions may disqualify stock that now qualifies for the exclusion.

6. Individual Income Tax — Minimum Tax Adjustment for Incentive Stock Options

Sections 1780r and 9349 (20g)

Currently, in calculating the alternative minimum tax, 20% of the amount included in federal alternative minimum taxable income may be subtracted as an incentive stock option adjustment. This reduction applies only to stocks acquired under an incentive stock option after December 31, 1987, and the reduction first applies to taxable years beginning on January 1, 1989. These provisions make the reduction first apply to stocks acquired under incentive stock options after December 31, 1988.

I am vetoing these provisions because the state should not retract this commitment to taxpayers who are eligible for this reduction. My veto will retain the reduction for stocks acquired after December 31, 1987.

7. Corporate Income and Franchise Taxes — Rate Increase

Sections 1800bd, 1800be, 1800bf, 1800bg, 1828Le, 1828Lf, 1828Lg and 1828Lh.

These provisions would increase the state's corporate income and franchise tax rate from 7.9% to 8.4%. This new 8.4% rate would be effective for three years. For taxable years beginning after December 31, 1993, the rate would return to 7.9%.

I am vetoing these provisions because this increase in the corporate income and franchise tax rate will damage the state's business climate. My veto eliminates GPR tax increases of \$36.9 million in fiscal year 1991-92 and \$28.3 million in fiscal year 1992-93.

Of the 45 states with a corporate income tax, Wisconsin has the 22nd highest tax rate. Raising the rate to 8.4% would move Wisconsin to 17th place. Businesses do move from state to state. We want businesses to locate and stay in Wisconsin. This leap in our corporate tax ranking would reverse our recent gains in improving the state's business climate.

It is no accident that Wisconsin has weathered the recent economic storm so well. Many of our neighboring states are facing large budget deficits and high unemployment rates. These two problems have required many of them to raise taxes and reduce government services. Wisconsin does not need this tax increase because we have controlled government spending. We have learned that government does not help its citizens by adopting unnecessary tax increases.

Furthermore, while this rate increase is billed as "temporary" because the rate is scheduled to return to 7.9% in 1994, past experience has shown that many "temporary" tax increases end up becoming permanent. This would have been especially likely to happen in this case because the tax increase is linked to a tax credit package that would require large increases in funding in fiscal year 1993-94. I am vetoing both the rate increase and the tax credit package in order to control spending and taxes.

8. Corporate Income and Franchise Taxes — Minimum Tax

Sections 1810m, 1811f, 1811m, 1813m, 1815i, 1847m, 1852n and 9349 (3w)

These provisions create a corporate minimum tax based on the current federal tax preferences but adjusted to reflect differences between state and federal law. Also, these provisions set the minimum tax rate at 4.7%.

I am vetoing these provisions to eliminate the corporate minimum tax because this tax will severely damage the state's business climate. This tax will place Wisconsin corporations at a substantial competitive disadvantage, because only a handful of states impose a corporate minimum tax. This tax is complicated to administer and imposes time-consuming paperwork on corporations,

while yielding relatively little revenue for the effort involved.

My veto eliminates GPR tax increases of \$4.4 million in fiscal year 1991-92 and \$4.5 million in fiscal year 1992-93.

9. Excise Taxes — Cigarette Tax Increase

Sections 2514m and 9449 (4j)

These sections increase the cigarette tax from the current 30 cents per pack to 40 cents per pack. I am vetoing these sections because this tax increase would give Wisconsin the fourth highest cigarette tax in the nation. A 33% increase in this tax is excessive and unnecessary if spending is restrained. My veto eliminates GPR tax increases of \$33.8 million in fiscal year 1991-92 and \$34.6 million in fiscal year 1992-93.

I am willing to support a more modest five cent per pack cigarette tax increase because health related programs that were increased in Assembly Bill 91 that I have approved, such as lead poisoning prevention programs, breast cancer screening and public health agency grants, are appropriately funded from such a source.

10. Excise Taxes — Cigarette Tax Discount

Section 2516

This section changes the cigarette tax discount for cigarette manufacturers and distributors from 2% of the tax to 0.3 mills per cigarette. At the current tax rate of 30 cents per pack, these discount formulas are equivalent. I am vetoing this section because this language is superfluous since I am vetoing the cigarette tax increase contained in this bill. This provision can be reconsidered at such time as the cigarette tax is increased.

11. Excise Taxes — "Class B" Liquor License Quota Exemption

Sections 2497jb, 2497jf, 2497k, 2497p, 2497q, 2497s, 2497w and 2497y

These sections allow eight liquor licenses to be issued for specific establishments despite the liquor license quota limits of their respective localities. The quota limit of a locality is generally based on its permanent population. Because some modification of this system is needed to accommodate the temporary influx of visitors in areas of heavy tourism, I am signing into law the "Class C" wine license provision of this bill, which allows a municipality to issue "Class C" licenses to allow wine to be served in restaurants if the municipality has reached its "Class B" quota limit. I am vetoing these "Class B" exemptions because it is inappropriate for provisions for specific establishments to be included in the budget bill. Furthermore, the "Class C" license changes should eliminate the need for many of these exemptions.

12. Excise Taxes — Liquor License Denial for Septic System Violations

Sections 2497e, 2497f and 2497g

These sections allow municipalities or the Department of Revenue to revoke, deny, or fail to renew a beer, wine or liquor license of a person who fails to comply with

private sewage system ordinances. I am vetoing these sections because these punitive measures would be allowed against holders and seekers of liquor licenses but not other individuals. If the current penalties for violation of these ordinances are insufficient, a broader solution should be sought that would apply to all violators rather than just a select few.

13. Excise Taxes — Liquor Licensing Residency Requirement
Section 2485m

This provision eliminates the state residency requirement for the agent of a corporation that applies for an alcohol beverages license if the corporation held a valid alcohol beverages license on June 30, 1990, for the premises for which a license is sought. I am vetoing this provision because it will weaken the Department of Revenue's ability to enforce the state's alcohol regulations.

14. Sales Taxes — Sales Tax Base
Sections 2044bb, 2046m, 2047m and 9449 (13p), (13t) and (25n)

These sections modify the sales tax base by exempting ticket-operated laundry services, dropping a requirement that exempt shoppers guides be issued 48 times a year in order to be exempt and eliminating the current exemption for llamas used as livestock. I am vetoing these sections because they should be passed as separate legislation. The revenue loss of new exemptions must be fully evaluated before further narrowing the sales tax base. The current treatment of llamas may be justifiable given the exemption for other livestock. By retaining the current sales tax base for these items, my veto increases revenue by approximately \$300,000 GPR annually compared to the Legislature's budget.

15. Sales Taxes — Telecommunications Services Originating Outside Wisconsin
Sections 2036, 2043, 2044, 2045 and 9449 (24)

These provisions expand the sales tax on telecommunications services by imposing the sales tax on (a) interstate private line services and on (b) interstate telecommunications services which terminate in this state and which are charged to a Wisconsin service address. These provisions also provide for a credit against sales, use or excise taxes paid to other states. The credit is applicable to calls originating outside this state and terminating in this state.

I am vetoing these provisions because they conflict with the agreement reached by this state and telecommunications companies as part of the settlement of this state's liability for unconstitutional sales taxes that were collected from these companies (GTE Sprint Communication vs. Wisconsin Bell, Inc.). This veto means that interstate private line services will not be subject to the sales tax. Also, this veto means that only telecommunications services that originate in this state and are charged to a Wisconsin service address will be subject to the sales tax. The credit would have been

applicable only to these calls. My veto removes these calls from the sales tax; therefore, I am vetoing the credit because it is no longer needed. My veto prevents GPR tax increases of \$2.3 million in fiscal year 1991-92 and \$2.8 million in fiscal year 1992-93.

16. Utility Taxes — Relay Service Funding Study
Section 9149 (8p)

This provision requires the Department of Revenue Secretary to establish a committee to study and review potential funding sources for the state telecommunications relay service.

I am vetoing this provision because a study of this issue by a committee would duplicate the work of the Public Service Commission. The recovery of affected telecommunications utilities' costs for the operation of this service is within the jurisdiction of the Public Service Commission.

17. Real Estate Transfer Fee
Sections 2029, 2029g, 2029r and 9449 (29n)

These provisions increase the Real Estate Transfer Fee from 30 cents to 50 cents per \$100 of property value and change the percentage of the fee retained by the counties from 20% to 12%. I am vetoing these provisions because the fee increase is actually a hidden tax increase on home equity. Wisconsin's rank would rise from tenth to sixth among states with deed transfer taxes based on total sales price and Wisconsin would have the highest fee among states in the region. The fee increase would translate into an additional \$140 charge on a median priced home sold in this state.

This veto reduces state tax revenue by \$12.6 million GPR in fiscal year 1991-92 and \$15.0 million GPR in fiscal year 1992-93.

18. Recycling Fees — Surcharge Rates
Sections 2089nn, 2089p and 9349 (18m)

These provisions, in part, establish the mechanism for setting the temporary surcharge rates for taxable years ending after April 1, 1992, and before the sunset date of April 1, 1999. This mechanism requires the Department of Revenue annually to determine the rates necessary to generate sufficient revenue to fund recycling expenditures. The new rates would be subject to approval only by the Joint Committee on Finance. I am partially vetoing these provisions because tax increases should be voted on by the full legislature rather than set by an administering agency and reviewed by the Joint Committee on Finance alone. This veto ensures that spending decisions are not made separately from tax decisions.

Section 9349 (18m) also makes the recycling temporary surcharge initially applicable to taxable years ending on April 30, 1991. Since the current law gross receipts recycling fee applies to taxable years ending after April 1, 1991, some businesses still would be subject to the current fee that is being repealed. I am partially vetoing

this provision to allow the Department of Revenue to apply the new surcharge language to all taxpayers who are subject to the current fee.

19. Recycling Fees — Definition of Net Income
Section 2089m

Section 2089m provides that the surcharge for a tax-option (S) corporation is based on a percentage of its net income. The section defines "net income" as income before apportionment for this form of business. I am partially vetoing this section to allow the Department of Revenue to base the surcharge on an S corporation's Wisconsin net income rather than on its entire net income.

20. Fund Transfers and Lapses
Sections 216 [as it relates to s. 20.370 (1) (ks)], 9238, 9242 and 9247

These provisions make the following changes: (a) transfer \$183,161,300 from the general fund to the lottery fund on July 15, 1992; (b) transfer the unencumbered balance of the investment and local impact fund appropriation for environmental repair to the merged appropriation for long term care of mining sites and environmental repair; (c) appropriate funds from the conservation fund for acquisition of parks and other state purchases; (d) lapse funds from the acquisition appropriation back to the conservation fund; (e) transfer up to \$10,000 GPR in both fiscal years 1991-92 and 1992-93 from the state parks general program operations appropriation to the State Fair Park Board for maintenance of the Olympic ice rink; (f) transfer the unencumbered balance of Racing Board special programs to the Racing Board's general program operations appropriation; and (g) transfer the unencumbered balance of the racing fund to the general fund.

I am vetoing the transfer of the \$183,161,300 from the general fund to the lottery fund because I am modifying the major tax increase and tax credit provisions of this bill. This transfer to provide funding for the package is thus unnecessary.

I am partially vetoing these provisions to allow \$83,161,300 to be transferred from the lottery fund to the general fund during fiscal year 1991-92. I am requesting the Department of Administration Secretary to use the lottery funds transferred to provide property tax relief by using them to fund the fiscal year 1991-92 increase in school aids contained in this budget. If these lottery funds were not used to fund the bulk of the \$91.4 million school aid increase in fiscal year 1991-92, it would not have been possible to increase school aids in this amount because the small ending balance in fiscal year 1991-92 would have precluded this increase. School districts would have had to increase property taxes to pay for school spending in the absence of a state aids increase.

Lottery proceeds have been used to offset property taxes by supplementing school aids in both fiscal years 1988-

1989 and 1989-90. The constitution requires lottery proceeds to be used for property tax relief. This transfer, like earlier lottery school aid spending, will provide property tax relief.

I am vetoing the investment and local impact fund transfer language because the provision is unnecessary since the environmental repair appropriation has a zero balance. I am vetoing the resource acquisition lapse of \$397,100 to allow the lottery fund transfer. I am vetoing the fiscal year 1991-92 appropriation of \$387,500 for resource acquisition [s. 20.370 (1) (ks)] to allow the conservation fund to have virtually the same net balance as the lapse would achieve. I am vetoing the transfer for the Olympic ice rink to allow the lottery fund transfer. This issue may be addressed in future legislation. I am vetoing the Racing Board special program provision because it is unnecessary. The funds involved in these special programs will lapse to the general fund whether or not this language is in effect. My partial veto retains the transfer of the racing fund balance to the general fund.

21. Property Tax Relief — Property Tax Credit Program

Sections 216 [as it relates to s. 20.835 (3) (c), (e), (q), and (r)], 657v, 657w, 658b, 658g, 658h, 797b, 1664t, 1906g, 1906k, 2132m, 2135q, 2135rm, 2135s, 2135t, 2135u, 2135y, 2135z, 2136f, 2136i, 2136k and 9449 (25p)

These provisions (a) eliminate the current general government and school levy property tax credits applied to all classes of property and (b) create two new school property tax credits (one funded from GPR, the other from SEG lottery funds) which, when combined, pay the school property taxes levied on the first \$30,000 of a principal dwelling. The property value would increase to the first \$35,000 on the December 1993 property tax bills and would increase by the consumer price index each year thereafter.

I am partially vetoing these provisions to restore a general property tax credit applied to all classes of property and to provide a lottery property tax credit for principal residences.

I am partially vetoing these provisions because the proposed property tax credit plan is plagued with problems.

First, the program creates a substantial long-term liability. It would require tax increases not only in this biennium but in the next biennium as well. The cost of these credits surpasses the level the state can afford. Increases each year in the number of homeowners and in school tax rates automatically create an advance funding commitment for the credits. In addition to these increases, funding is needed for the increase in the homestead exemption from \$30,000 to \$35,000 that occurs in 1993. The growth in this program plus a commensurate growth in school aids would leave

virtually no state revenue available to maintain other state programs at current levels, much less expand them.

Second, the proposal is deceptive. The program requires increases in general fund taxes to provide adequate funding. Raising one set of taxes on the promise to cut others is little more than a shell game. This approach has consistently failed throughout Wisconsin's history.

Third, the implementation of this credit in fiscal year 1992-93 is not constitutional unless a referendum changing the uniformity clause is passed. The second year credit uses general purpose revenue that is directed only toward property with a principal residence. This could not be implemented under the Wisconsin Constitution as it now stands. This approach is irresponsible and unwise.

Fourth, the redistributive effect of removing existing credits severely impacts owners in every major class of property. Shifting the property tax burden does not provide property tax relief. Small businesses, farmers, renters and many homeowners will unfairly pay more under this plan. Despite all of the shifting, the plan provides little or no net gain to homeowners. Any fair property tax relief plan should be funded through lottery dollars or from general fund tax collections due to economic growth, not by removing existing credits.

Fifth, these credits do not provide a long-term solution. By totally ignoring cost controls, the Legislature has reduced the effectiveness of any property tax relief the lottery money can provide.

Finally, this plan creates financial and administrative burdens for local governments.

I have modified the proposal to correct deficiencies in the plan in three ways.

First, I have restored a general property tax credit applied to all classes of property. The GPR credit distribution mechanism will be the current law school levy tax credit funded at \$319,305,000. This veto increases state spending by \$54 million GPR in fiscal year 1992-93. In restoring this credit, the minimum/maximum payment adjustments and the annexation adjustments could not be retained.

Second, to fulfill my pledge to the people of Wisconsin, a lottery property tax credit will appear on December 1991 tax bills. I have redesigned the credit to rely exclusively on lottery proceeds, not tax increases. The credit will apply to school taxes on the first \$8,200 of a principal dwelling. The cost of the credit is set at a level that uses all ongoing lottery proceeds.

The combination of direct GPR credits and the Lottery Credit targets significant tax relief to homeowners. Wisconsin's commitment to funding a tax exemption on homestead property will rank third highest in the nation.

Third, I have also removed the extra reporting requirements for local governments. I am directing the Department of Revenue to develop a state-based system

to audit taxpayer compliance. Also, I am asking the Department of Revenue Secretary to seek advice on administrative matters from the State Treasurer and her Local Government Treasurers Advisory Committee. Local governments should not have to bear the administrative burden of these property tax credits.

Wisconsin will now have one of the most comprehensive arrays of property tax relief measures in the nation: (a) the school levy tax credit will offset about 7% of property tax levies; (b) the lottery property tax credit will fund a partial exemption for homestead property; (c) farmland tax relief credits will continue to pay 10% of farm taxes; (d) farmland preservation credits will offset up to 95% of farm property taxes in exchange for preserving farm land from development; (e) homestead tax credits will target assistance to low-income taxpayers; (f) the school property tax/rent credit on income tax returns will not be eliminated but will continue to credit up to \$200 of property taxes for renters and homeowners; and (g) the Property Tax Deferral program which allows persons 65 years of age or older to use their home equity to pay up to \$1,800 of their property taxes will continue.

The only missing piece from a comprehensive tax relief strategy is cost controls. The Legislature can complete the property tax relief plan by adopting restraints on local spending.

The school levy tax credit and the lottery property tax credit are a major step forward in providing property tax relief. Together they provide a fair distribution for all property owners.

22. Property Tax Relief — Farmland Tax Relief Credit

Sections 216 [as it relates to s. 20.835 (2) (fm)], 657km, 657ks, 1762we, 1801we, 1840we and 9349 (13x) [as it relates to s. 20.835 (2) (fm) and (q)]

These provisions change the funding source for the farmland tax relief credit from lottery revenues to general purpose revenue.

I am partially vetoing these provisions to restore the lottery fund as the funding source for the farmland tax relief credit. This credit allows eligible claimants to claim up to \$1,000 as a refundable property tax credit for property taxes accrued on farmland. This credit is true property tax relief to one of the groups that is most burdened by property taxes and is appropriately financed from the lottery fund. This veto decreases GPR expenditures and increases SEG lottery fund expenditures by \$15.6 million in fiscal year 1991-92 and \$16.5 million in fiscal year 1992-93.

23. Property Tax Relief — Relinquishment of Farmland Preservation Agreements

Section 2208d

This section requires the Department of Agriculture, Trade and Consumer Protection to relinquish a farmland preservation agreement, at the request of the land owner, if the agreement has been in effect for at least ten years

and if the original farmland preservation agreement was for a period of more than ten years.

I am partially vetoing this section because it is too restrictive. Most farmland preservation agreements are for ten years, not for more than ten years. This section would preclude land owners with ten year agreements from using this relinquishment provision. This veto will allow these agreements to be relinquished if the land owner so requests and if the agreement has been in effect for ten years. Some farmers face economic difficulties and must sell all or part of their land. As vetoed, this relinquishment provision will provide some farmers with the flexibility they need to make sound economic choices.

Also, many areas of the state need this flexibility to promote economic development goals. This veto provides these areas with the flexibility to act on their locally determined priorities.

24. Shared Revenues — Shared Revenue Funding Level

Section 2122

I am partially vetoing the shared revenue account funding increase in 1992 from 2.5% to 2% and I am vetoing the 5% increase in 1993. This partial veto reduces state spending by \$4,763,700 GPR in fiscal year 1992-93. My support for the 1992 (fiscal year 1992-93) increase of 2.5% was predicated on the adoption of the budget restraint payment program which would have rewarded local governments for restraining their spending. This increase is partially vetoed because I am not willing to approve a shared revenue increase of more than 2% without the restraint feature.

The increase of 5% for 1993 (fiscal year 1993-94) is being vetoed because it creates a significant advance commitment which cannot be justified given current economic uncertainty. Subsequent budget legislation will address the 1993 funding level.

25. Shared Revenues — Shared Revenue Formula Changes

Sections 216 [as it relates to s. 20.835 (1) (b)], 1901w, 1905m, 2114h, 2114p, 2116n, 2116p, 2117d, 2117m, 2118, 2118m, 2118t, 2119r, 2120m, 2120r, 2121m, 2121p, 2121q, 2121qg, 2121r, 2128h, 2128r, 2128t, 2128v, 9349 (4h), (4p) and (43) and 9449 (4p)

These provisions make the following changes to the shared revenue formula: (a) add proxies for private solid waste and recycling service costs and private water services costs to the definition of local purpose revenue; (b) create an additional per capita payment for small communities beginning with the 1992 payment; and (c) beginning with the 1993 payment (fiscal year 1993-94), remove counties from the current aidable revenues entitlement and create a county entitlement based on the net costs for judicial, corrections and detention, health and human services and transportation functions.

I am vetoing the proxy for private water services costs because charges for water in municipalities providing public water services are not included in the definition of local purpose revenue. Therefore, the proxy is not warranted for municipalities with private services.

I am partially vetoing the small municipalities shared revenue payment to delay its implementation until the 1993 payment (fiscal year 1993-94) due to the constraints of this budget, and to reduce state spending by \$13.0 million GPR in fiscal year 1992-93.

I am also vetoing the county cost-based entitlement because it contains a series of problems. Although a cost-based proposal may have some merit, I am concerned about several aspects of the actual execution of this proposal.

First, the structure of the funding mechanism has no direct relation to the costs it is funding nor to the increases in the shared revenue account. Currently, the shared revenue formula dynamically allocates funds among counties and municipalities based on relative need. This proposal substitutes an arbitrary apportionment. Consequently, this procedure could leave counties unfairly disadvantaged. For example, when the conference committee increased the overall shared revenue account by 5% for the 1993 payments, the county cost-based entitlement funding was only given a 3% increase.

Second, this proposal lacks definition and direction. The bill directs the Department of Revenue to define the costs used in calculating the entitlement. Such authority is necessary to provide a common base of comparison among counties. However, the Legislature has not given any guidelines as to what should be included in the four net costs. For example, transportation costs are included in calculating the entitlement, but it is not clear whether this should be narrowly defined as highway maintenance or broadly interpreted to include mass transit, airports, harbors or other functions. Small changes in the definitions can substantially alter the distribution of the entitlements. These issues should be decided in an open legislative process with full opportunity for counties to testify.

Third, the Legislature should reconsider whether the aidable costs should be limited to the four specified. Such a restricted list penalizes counties with more diverse functions. Moreover, this would encourage counties to increase spending in the four cost areas to the detriment of other functions which would not be aided.

Fourth, I am concerned by the inability to accurately model the effects of this formula. Since some counties do not follow Generally Accepted Accounting Principles (GAAP), complete data on county expenditures used in this formula are lacking. This further complicates estimation of the redistributive effect of the proposed change.

Fifth, the minimum payment guarantee provisions are inconsistent between counties and municipalities. Under the proposal, counties would have only a 90% guarantee while municipalities would remain at 95%. Further, after two years, counties would not have a minimum payment guarantee whatsoever.

This proposal has raised the issue of the appropriateness of the current shared revenue formula. Since this formula would not take effect until 1993, there is ample time to pursue formula changes through subsequent legislation. While I am vetoing this proposal, I encourage innovative approaches to revising the shared revenue formula to address county, town and other municipal needs. Toward that end, I will appoint a task force of local government officials and other interested parties to study and make recommendations on redesigning the shared revenue formula and to review concepts such as the county cost-based formula.

26. Shared Revenues — Shared Revenue Population Adjustment
Section 9149 (10g)

Under current law, the Department of Revenue (DOR) is required each year to make final corrections to the previous year's shared revenue payment. In addition, DOR is required to use revised population data after each census for the calculation of shared revenue payments. These corrections and revisions affect both the 1990 and 1991 shared revenue payments. The corrected 1990 payment would use the 1990 census population data for the per capita entitlement and the public utility distribution in the formula. The revised 1991 payment would use the 1991 census population data for the per capita entitlement and the public utility distribution and use 1990 census population data for the aidable revenues entitlement (the largest distribution component of the formula).

Municipalities received the original 1991 payment estimates based on pre-census population data and used these estimates to develop their budgets. The revision of 1991 payments would cause many communities to receive less money than they included in their budgets. This provision delays the 1990 payment correction until 1992, requires the Department of Revenue to continue to use pre-census population data for the 1991 payment and requires the department to use the census population data for the 1991 payment corrections which are added to the 1992 payment. By doing this, municipalities with population losses can plan for the impact of the corrections and revisions within their 1992 budgets.

I am partially vetoing the shared revenue population adjustment because the 1990 payment correction can be made in 1991 with only minor redistribution effects. Allowing the 1990 payment correction in 1991 will not have the extreme redistribution impact that occurs in revising the population data for the 1991 payment.

27. Shared Revenues — Tax Rate Disparity Payment Funding Level
Section 2113e

This section increases the Tax Rate Disparity Payment from \$25 million to \$35 million in 1992 and to \$50 million in 1993. I am vetoing the increased funding for the Tax Rate Disparity Payment in both fiscal year 1992-93 and fiscal year 1993-94 because a 40% and 100% increase in funding is vastly disproportionate to the cost increases faced by qualifying communities. Moreover, these increases are excessive and unaffordable in a time of fiscal constraint. This veto reduces state spending by \$10.0 million GPR in fiscal year 1992-93.

28. Shared Revenues — Tax Rate Disparity Payment Index Timing;
Section 2122t

I am partially vetoing the month used as the base for the consumer price index because the program should have a consistent standard with as little time lag as possible. I support the use of the average annual percentage change since it provides a more stable measure. However, the use of the month of June as the base creates an 18-month time lag between the budget data and the inflation measure.

29. Shared Revenues — Tax Rate Disparity Payment Inflation Standard
Section 2123m

I am vetoing the 1% increase above the consumer price index allowed for the 1993 payment because this program should reward municipalities that control their costs. In the first two years, this program allowed municipalities to receive payments even though their spending increased much faster than the consumer price index (CPI). Under this veto, municipal budget increases are limited to the CPI beginning with the 1993 payment. It is time to enforce the budget limits of this program and reward those municipalities that actually restrain their spending.

30. Shared Revenues — Supplemental State School Aid
Section 216 [as it relates to s. 20.835 (7) (a) in fiscal year 1991-92]

I am vetoing all funding of Supplemental State School Aid (also known as TIF Aid for tax incremental financing) under s. 20.835 (7) (a) in fiscal year 1991-92. This veto is needed solely to help reduce overall state general purpose revenue appropriations for fiscal year 1991-92 to a level consistent with the state's estimated general revenue collections as a result of my veto actions on Assembly Bill 91. Payments from this appropriation are made in June. I will fully restore \$36,827,900 GPR in fiscal year 1991-92 in subsequent budget legislation this coming January.

31. Department of Revenue — Property Tax Deferral Program
Section 2066m

I am vetoing the increase in the maximum loan available to participants in the Property Tax Deferral Program because the program fund cannot support this change. Since the beginning of this program, loan commitments have exceeded loan repayments and participation has been lower than projected. This budget includes a provision to further publicize the program. However, until loan repayments accelerate, the program fund cannot sustain both the increased maximum loan and increased participation.

32. Department of Revenue — Withholding Delinquent Property Taxes from Lottery Winnings
Sections 631w, 633m, 1605w, 1897w and 3497g

These provisions require the Lottery Board Executive Director to report the winners of lottery prizes of \$1,000 or more to the Department of Revenue so that payments for delinquent property taxes can be withheld from winnings. Annually, counties would be required to furnish the Department of Revenue with a list of each person who is delinquent in the payment of property taxes. Counties would receive the withheld delinquent property taxes from the Department of Revenue after any child-support payments and delinquent state taxes have been paid.

I am vetoing these provisions because this is not a cost-effective method of delinquent property tax collection. Currently, local governments are not required to report delinquent property taxpayers to the state. The administrative costs of reconciling state and local systems for this purpose far exceed the amount that can be returned to local governments. Delinquent property taxes can be collected more easily and efficiently by placing liens on property.

33. Department of Revenue — Initial Certification
Section 9149 (2)

I am vetoing this nonstatutory provision regarding initial certification because the statutory section to which it applied was removed during the budget process.

34. Tax Administration — Filing Fee for Appeal of Redetermination of Credits
Section 1884n

Currently, taxpayers who appeal Department of Revenue redeterminations of credits to the Wisconsin Tax Appeals Commission must pay a \$5 fee. If the appeal relates to a farmland tax relief credit, married persons credit, farmland preservation credit, homestead credit or community development finance credit, the fee is not required. This provision expands the exemption from the filing fee to apply to appeals relating to all tax credits, including credits available only to corporations.

I am partially vetoing this provision because this expansion of the exemption from the filing fee is unwarranted and would benefit many taxpayers who can afford to pay a nominal filing fee.

35. Joint Committee on Finance Supplemental Appropriations
Sections 216 [as it relates to s.20.865 (4) (a)] and 9117 (4) (p)

Tax Credit Administration. Section 216 [as it relates to s. 20.865 (4) (a)] provides a total of \$1,500,000 GPR in the biennium for the costs of administering the lottery property tax credits (\$1,000,000 GPR in fiscal year 1991-92 and \$500,000 GPR in fiscal year 1992-93).

I have elsewhere simplified the administration of the new lottery credit. Consequently, the total amount set aside for administrative costs is excessive. By lining out the Joint Committee on Finance's s. 20.865 (4) (a) general purpose funds general program supplemental appropriation in fiscal year 1991-92 and writing in a smaller amount, I am vetoing the part of the bill which provides \$1,000,000 GPR for tax credit administration. This reduces the funds set aside to a more reasonable \$500,000 for the biennium.

Distance Education Projects. Section 9117 (4) (p) provides \$600,000 in the biennium for two demonstration fiber optics distance education projects (\$300,000 GPR in fiscal year 1991-92 and \$300,000 GPR in fiscal year 1992-93). I have partially vetoed this section to limit state support of the two pilot projects to fiscal year 1992-93 only.

I have made this change because the one-year delay in the start of a demonstration project will permit the Educational Communications Board to complete projects that were started in the 1989-91 biennium but that will not be completed until the 1991-92 fiscal year.

By lining out the Joint Committee on Finance's s. 20.865 (4) (a) general purpose funds general program supplemental appropriation and writing in a smaller amount for fiscal year 1991-92, I am vetoing the part of the bill which funds distance education projects in fiscal year 1991-92. This deletes the \$300,000 set aside for these projects in fiscal year 1991-92.

36. Property Tax — Classification of Recycling Activities
Sections 1735 and 9449 (23)

These provisions clarify that granulation of plastic is a manufacturing activity and include waste compactors as equipment eligible for the machinery and equipment exemption when compactors are used as waste processors and serve multiple customers.

I am vetoing these provisions because the machinery and equipment exemption should not be expanded to include compactors used to compact waste for transportation, rather than manufacturing, purposes. I am vetoing the

other technical changes in these sections because they are not needed.

37. Property Tax — Information on Unrelated Business Income

Sections 1877b, 1901m and 9449 (22w) [as it relates to ss. 71.78 (9m) and 73.03 (41)]

These provisions both permit and require the Department of Revenue (DOR) to annually compile and furnish to the clerks of all taxation districts a list of all corporations, associations and other entities that have filed tax returns reporting unrelated business income tax liability. Under s. 70.11 (8), these entities will be liable for property tax on that part of their property used to conduct such business.

I am vetoing these provisions because the list would be of very little value. It would be a statewide list based on income tax information; the list would not identify where the property that related to the income of the entity was located. I am concerned that this use of income tax information would undermine the voluntary compliance of taxpayers with the income tax laws. Finally, DOR's list, in those few cases in which it would be helpful to a clerk, would duplicate the information which s. 70.339 will require affected entities to provide to the clerk.

38. Property Tax — Reports on Unrelated Business Income

Section 1724c

This section establishes a reporting requirement for owners of exempt property that generated taxable income under certain sections of the federal internal revenue code. If these owners fail to file the report with the municipal clerk, a forfeiture of \$10 per day, not to exceed \$500, is imposed. If not paid, forfeitures may be entered on the tax roll as a special charge and collected in the same way that delinquent property taxes are collected.

I am partially vetoing this section because this enforcement provision is too severe. This veto will prevent local governments from taking tax title to the property because this forfeiture was not paid. Local governments have sufficient collection alternatives.

39. Property Tax — Reporting Requirements for Owners of Tax-Exempt Property

Section 1724b

This section would require owners of tax-exempt property to file reports that would include information on the value of the property. If the owner fails to report, the municipality may have the property appraised at the owner's expense. If the owner then does not reimburse the municipality for the cost of the appraisal, this section would allow this cost to be entered on the tax roll as a special charge and collected in the same way that delinquent property taxes are collected.

I am partially vetoing this section because this enforcement provision is too severe. This veto will

prevent local governments from taking tax title to the property because this cost was not paid. Local governments have sufficient collection alternatives.

40. Property Tax — Exemption for Solar and Wind Energy Systems

Section 1710r

This provision deletes the December 31, 1995, sunset on property tax exemptions for solar and wind energy systems.

I am vetoing this provision because it is premature to delete this sunset date. Currently, even with this property tax exemption, these systems are not competitive with conventional energy sources. The number of new (thermal) solar and wind energy systems has declined from a high of 3,400 installed systems to approximately 700 systems in 1986. Over time, this situation may change, and there is ample time to reconsider this sunset date before this exemption expires at the end of 1995.

41. Property Tax — Exemption for Benevolent Associations

Sections 1706m, 1706r and 9449 (4h)

These provisions replace the term "benevolent association" with the term "charitable association." These provisions then define, for purposes of granting a property tax exemption, a "charitable association" as an entity that is exempt from taxation under section 501 (c) (3) of the federal internal revenue code (IRC). These provisions also limit the current property tax exemption for nursing homes and retirement homes for the aged to homes that are exempt from taxation under IRC 501 (c) (3).

I am vetoing these provisions because this dependence on IRC section 501 (c) (3) does not provide acceptable policy guidance for the granting of property tax exemptions.

This IRC section applies to many types of entities, some of which would not necessarily be considered strictly "charitable" organizations. This definition of "charitable association" may be too broad. Under this definition, organizations that are exempt from federal income taxes would get a Wisconsin property tax exemption even though that organization may be neither "charitable" nor "benevolent" as many people define these terms.

42. Property Tax — Exemption for Barnyard Runoff Control Systems

Sections 1707m and 9449 (31n)

These provisions provide a property tax exemption for a system used to control barnyard runoff if a county land conservation committee certifies that the system meets appropriate pollution control standards.

I am vetoing these provisions to preserve the property tax base and because these provisions present a fragmented, piecemeal approach to pollution control. These

provisions may be an inappropriate use of the tax system. These pollution control systems should not be encouraged system-by-system, tax-exemption-by-tax-exemption. I encourage the legislature to take a more integrated approach to pollution control systems. This approach would consider the economics of these systems for the owner and their impact on the state's quality of life.

43. Property Tax — Exemption for Leased Municipal Property
Sections 1706b, 1706g and 9449 (17q)

These provisions require that the lessor of leased municipal and special purpose district property secure the consent of three local taxing jurisdictions affected by the exemption of the leased property for the property to become or remain exempt from property taxes. The lessor of this property would be required to secure the consent before: (a) the leased property tax exemption becomes or continues to be effective; (b) the lease is renewed or extended; (c) the lease is transferred from one lessee to another; and (d) a material change occurs in the use of the land. Consent under (a) would be required for existing as well as new leases.

I am vetoing this provision because of its potential effect on all property owned by and leased by units of local government and because it invites nonuniform treatment of similarly situated property.

Municipalities, school districts and counties have entered into a variety of leasing arrangements that would be affected by this provision. Many municipalities lease their property to further economic development projects. I am concerned about the adverse effect of these provisions on economic development.

These provisions would politicize decisions about leasing the property of local units of government. The provisions contain no standards to guide local officials in making each exemption decision. Case-by-case, district-by-district granting of exemptions invites inconsistent treatment of similarly situated property. Nonuniform treatment of similar properties would be inevitable.

44. Property Tax Administration — Limiting Assessment Appeals to Total Value
Sections 1729g, 1729i, 1735c and 9349 (4aw)

These provisions limit the appeals of assessments in taxation districts under a county assessor system to the total assessment for land and improvements. Currently, the only county assessor system in the state is in Kenosha County.

I am partially vetoing these provisions to apply them to all taxation districts in the state. This achieves uniformity in the appeal process and increases administrative efficiency for local boards of review.

45. Property Tax Administration — Special Assessment Exemption in First Class Cities
Section 1689Lr and 1689n

I am vetoing these provisions because the budget bill should not be used to grant an exemption from special assessments for specific parcels of property.

46. Property Tax Administration — Solid Waste Costs on Property Tax Bill
Sections 1906m and 9349 (44t)

These provisions require that municipalities state the total annual cost of solid waste collection and disposal on the property tax bill. I am vetoing these provisions because this requirement provides little useful information to the taxpayer. This cost needs to be considered in the context of other local expenditures and revenues. These provisions require that the total be stated rather than the amount allocable to the property. As a potential source of confusion, this figure would still be listed on the bill in municipalities where property tax revenue does not pay for waste collection.

47. Public Service Commission — Public Utility Impact on Air Quality
Sections 2982bq and 2982br

These provisions would allow the Public Service Commission (PSC) to deny a bulk electric generating facility or large electric generating facility a certificate of public necessity and convenience because of any adverse impact on air quality due to the operation of the facility. The PSC would be able to deny the facility this certificate even though the facility meets the air pollution control standards established by the Department of Natural Resources (DNR).

I am vetoing these provisions because they will subject utilities to duplicative regulatory efforts. Now, the DNR is responsible for regulating the utilities' compliance with air pollution laws and rules. The DNR already has the staff expertise to regulate these issues; the PSC does not. These provisions will require the PSC to review the utilities' compliance with many of these same laws and rules. A businesses' compliance with the same laws and rules should not be subject to the review of different state agencies.

48. Investment Board — Investment Directors
Section 771m

This provision, in part, restricts the number of investment directors within the Investment Board. I am partially vetoing this provision because it impinges upon executive authority. The number of investment directors is already constrained by the controls on agency reorganizations.

49. Lottery Board — Minority Supplier and Hiring Goals
Section 3497m

This provision requires the Lottery Board to establish goals to direct at least 15% of expenditures for

advertising, public relations and other procurements to minority-owned firms; increase the percentage of lottery retailers that are minority-owned establishments to at least 7%; and increase the number of minorities employed by the Lottery Board. I am partially vetoing this provision to eliminate the percentages stated above because unintended consequences may result if such levels of minority involvement are achieved. Directing advertising to minority-owned businesses may unintentionally target lottery sales to minorities. Increasing the number of minority-owned lottery retailers may have the same effect and may also violate the statutory requirement that the Lottery Board avoid geographic concentrations of retailers.

My partial veto retains increases in minority suppliers, retailers and employes as goals but relieves the Lottery Board from statutory standards that may have undesired results. Since the Lottery Board has won the Governor's Special Minority Business Award for three consecutive years for its minority procurement efforts, I am confident that it will continue its laudable attention to this matter.

50. Local Government — Milwaukee Public Museum
Sections 216 [as it relates to s. 20.855 (0) (a)], 672m and 9101 (9x)

I am vetoing these provisions that reimburse the Milwaukee Public Museum for costs incurred in the design and construction of a large-screen theater because the state should not give a unique unrestricted grant to a county agency outside of the state aid system. Such a grant is even more questionable in times of fiscal constraint. The veto reduces state spending by \$500,000 GPR in fiscal year 1991-92.

51. Local Government — Duties of Mayors at City Council Meetings
Section 1645t

This provision removes from current law the requirement that mayors in second, third and fourth class cities preside at city council meetings when they are present. Under the provision, such mayors may preside at city council meetings, but are not required to do so. I am vetoing this section because cities have not had the opportunity to voice their opinions on this change through a public hearing.

52. Local Government — Bradley Center Information Requirements
Sections 207m, 212r, 1901r, 3050t and 3050w

These provisions subject the Bradley Center Corporation to the open meetings and records laws, require the Milwaukee City assessor to provide an estimate of the full value of the exempt property, and require the Department of Revenue to report this value to the Joint Committee on Finance. I am vetoing these provisions because they are contrary to the intent of the enabling legislation for the gift of the Bradley Center. Furthermore, they do not coincide with the intent of the

open meetings and records laws and they require information which will be provided under Chapter 232.

The open meetings and records laws provide the people of the state with information regarding the affairs of government and the official acts of those officers and employes who represent them. However, the Bradley Center Corporation is a private nonprofit entity. As such, these laws should not apply to the Bradley Center Corporation. In addition, the provisions are drafted in such a way that the Bradley Center Corporation would continue to be subject to the open meetings and records laws even after having transferred the Bradley Center to the Bradley Center Sports and Entertainment Corporation.

The other provisions are unnecessary. Under Chapter 232, the Bradley Center Sports and Entertainment Corporation will provide financial statements to the Governor and the presiding officers of both the Assembly and the Senate. These statements will include information regarding all of the property owned by the corporation.

53. Local Government — Milwaukee Metropolitan Sewerage District Investment Authority
Section 1689ps

This provision allows the Milwaukee Metropolitan Sewerage District (MMSD) to invest in the same types of investments used by local governmental units and bankers' acceptances of state or federally chartered banks that are eligible for purchase by the federal reserve system.

I am vetoing the authority for MMSD to invest in bankers' acceptances because MMSD should be held to the same investment standards as other local governmental units.

54. Cash Management — Technical Item
Section 135

This provision clarifies the Department of Administration's authority to determine the date of an interfund transfer during a fiscal year whenever by law a transfer of moneys is to be made during a fiscal year but no date is specified for the transfer to be made. I am partially vetoing this provision because it is unnecessarily restrictive. My partial veto eliminates the phrase "during a fiscal year" to allow the department to determine the dates of transfers when neither the fiscal year nor the date is specified.

D. Human Resources

1. Oral Contraceptives
Section 1481p

This provision requires the Department of Health and Social Services (DHSS) to provide reimbursement so that Medical Assistance (MA) recipients may obtain a three-month supply of oral contraceptives at one time. I am vetoing this provision because I believe that this issue is

being adequately addressed through administrative rules. DHSS has proposed a change to the administrative rules of the MA program that will add oral contraceptives to the list of drugs for which a 100-day supply may be dispensed at one time.

2. Institutions for Mental Diseases Funding
Section 1489c

This provision allocates additional funding of \$500,000 GPR for Institutions for Mental Diseases (IMDs) in fiscal year 1992-93. I am vetoing this provision because it is unaffordable for the state at a time of fiscal constraint and because I believe that it is not in accord with the original agreement between the state and the counties concerning IMD funding. The original agreement provided funds for reimbursement of up to 90% of the Medical Assistance rate at the time these facilities were declared to be IMDs. This provision would increase reimbursement to IMDs above the agreed-on 90% rate. I am vetoing the allocation language, but I am not requesting that the funds be placed in unallotted reserve because the fiscal year 1992-93 funding for the appropriation under s. 20.435 (1) (b) is being vetoed to zero in a separate item veto (see Government Operations Item B-1). It is my intent that funding not be provided for this purpose when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

3. Respiratory Care Rates
Section 1507p

This provision sets rates for visits subsequent to an initial visit and for extended visits for respiratory care services for ventilatordependent individuals. For individuals under age 21, the rates are set at \$30 per hour for such visits if performed by a licensed registered nurse (RN) and at \$20 per hour if performed by a licensed practical nurse (LPN). These rates reflect current session law, as established in 1989 Wisconsin Act 31. The original intent of the language contained in 1989 Wisconsin Act 31 was to encourage providers, through the special rates, to provide home respiratory care services for children.

This provision also sets respiratory care rates for individuals aged 21 and over. These rates are set at \$22 per hour for RN subsequent and extended visits and \$18 per hour for LPN subsequent and extended visits. I am partially vetoing this provision to eliminate the special rates for subsequent and extended visits for respiratory care for individuals aged 21 and over because I believe that special respiratory care rates should be limited to the original intent of the legislation, which is to provide special rates so as to encourage home respiratory care for children. As a result of this partial veto, I am requesting the Department of Administration Secretary to place \$196,100 GPR in fiscal year 1991-92 into unallotted reserve in the appropriation under s. 20.435 (1) (b) to lapse to the general fund at the end of the biennium. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this purpose when the

appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

4. Case Management Services by Federally Qualified Health Centers
Sections 1480j, 1510, 1511g, 1511k and 9425 (9r)

These provisions require the state to reimburse federally qualified health centers (FQHCs) for costs under the Medical Assistance (MA) program of providing case management services and community support program services that are not reimbursed by the federal government. Currently, costs under the MA program for case management services that are not reimbursed by the federal government are reimbursed by counties (or other municipal governments, as proposed in the budget). Local governments may elect to make case management services available. Community support program services are the responsibility of counties. I am vetoing these provisions because they expand state financial commitment into an area that is currently the responsibility of local government. If FQHCs wish to receive reimbursement for these services, they should work with local governments. I am not requesting that the funds associated with these provisions be placed in unallotted reserve because the second year funding for the appropriation under s. 20.435 (1) (b) is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this purpose when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

5. Adult Day Care Waiver
Section 1511p

This provision requires the Department of Health and Social Services (DHSS) to request a federal waiver to permit Medical Assistance (MA) coverage of adult day care in three or four counties. I am vetoing this provision because it is unlikely that a waiver would be granted. A waiver would be necessary if adult day care was not an allowable MA benefit under federal law and rules governing the program, or if there was some clear rationale for limiting the coverage to three or four counties on a pilot basis. In 1989 Wisconsin Act 31, the Legislature mandated DHSS to study the feasibility of providing adult day care under the MA program. DHSS reported to the Legislature that adult day care is an appropriate MA benefit, but due to cost considerations, DHSS did not recommend adding it to the list of optional MA benefits. Further, since adult day care is already being provided in Wisconsin under the community waiver programs, it does not appear that a pilot project would be necessary to provide information on this benefit.

6. Estate Liability
Section 1537

Section 1537 establishes an estate liability program. Through this program, the Department of Health and Social Services (DHSS) may file a claim against the estate of a Medical Assistance (MA) recipient or against the

estate of the surviving spouse of a recipient for the amount of MA benefits paid on behalf of the recipient while the recipient resided in a nursing home or after the recipient attained age 65. Under certain circumstances, DHSS may obtain a lien on the recipient's home. I am partially vetoing this section to remove the prohibition that, if a nursing home resident has a spouse who does not reside in the home, DHSS may not obtain a lien on the home without the consent of the spouse. I am also partially vetoing this section to remove the prohibition that, in the case of filing a claim against the estate of an MA recipient, if the estate includes an interest in a home and if the decedent is survived by a spouse, the court may not assign the interest in the home subject to a lien in favor of DHSS without the consent of the spouse.

I am vetoing these provisions because I believe that the program originally developed by DHSS, which I proposed in Assembly Bill 91, provides adequate measures to address the concerns of spouses who survive MA recipients concerning liens that are placed on the homes of recipients. First, DHSS is prohibited from obtaining a lien on the home of a nursing home resident if the spouse still resides in the home. Second, the lien may not be enforced after the death of the recipient as long as the spouse survives, regardless of whether the spouse resides in the home. Not only are these prohibitions in effect in the case of a spouse, but they also apply if the recipient has a child who is under age 21 or disabled.

7. Community Integration Program for Residents of State Centers (CIP IA)

Sections 1290g, 1290h, 1290i, 1290j, 1290k and 1290L

Sections 1290g, 1290h, 1290i, 1290j and 1290k allow funding of community placements for individuals who are diverted from the state centers for the developmentally disabled under the Community Integration Program for Residents of State Centers (CIP IA). Currently, the CIP IA program provides community-based funding only for individuals who are relocated from the state centers. The state centers are required to reduce their expenditures to offset the costs of the community relocation. Another way to fund community-based programs is to require an institutional bed to be closed for each placement. I am vetoing these sections because no additional funds have been appropriated to fund the cost of the diversions, nor, alternatively, do these sections include the requirement to close a bed in order to fund a diversion.

Section 1290L requires CIP IA rates to increase at the same percentage rate as rates for intermediate care facilities for the mentally retarded (ICF-MRs), beginning in 1994. I am vetoing this section because the costs for community care under the CIP IA waiver program do not necessarily increase at the same rate as the costs for care in ICF-MRs.

8. Community Integration Program for the Aged and Physically Disabled (CIP II)

Sections 1290m, 1290n and 1292g

Sections 1290m and 1290n require the Department of Health and Social Services (DHSS), if requested by a county, to authorize services under the Community Integration Program for the Aged and Physically Disabled (CIP II) for the number of eligible persons that corresponds to the number of nursing home beds in the county that are delicensed. I vetoed similar language in 1991 Wisconsin Act 22 and am doing so again for the same reason. I am vetoing these sections because they limit the flexibility of DHSS in reallocating nursing home beds and in allocating CIP II slots among counties. This flexibility is needed because of the regional differences that exist concerning the demand for and the supply of both institutional and community care for the elderly and physically disabled.

Section 1292g requires CIP II rates to increase by the same percentage as nursing home rates, beginning in 1994. I am vetoing this section because the costs for community care under the CIP II waiver program do not necessarily increase at the same rate as the costs for care in skilled care and intermediate care facilities.

9. Home Health Study

Section 9125 (9i)

This provision requires the Department of Health and Social Services (DHSS) to study the payment structure and rates for home health services to Medical Assistance (MA) recipients and to report its findings by December 1, 1991, to the Joint Committee on Finance. I agree that this study should be performed. Home health services represent the fastest growing benefit in the MA program, and it is important to address the concerns that have been raised during the budget process. However, I am partially vetoing this provision to remove the submittal date because DHSS may have difficulty in meeting the December 1, 1991, study deadline. However, I am requesting DHSS to submit its findings as soon as practicable, but no later than May 1, 1992.

10. Outlier Reimbursement Study

Section 9125 (16j)

This provision requires the Department of Health and Social Services (DHSS) to conduct a study of the Medical Assistance (MA) inpatient hospital outlier reimbursement program and to submit a report to the Legislature by February 1, 1992. MA inpatient hospital reimbursement methods were greatly modified in January 1991. At present, DHSS' first priority is refinement of the new system. Information from the new system will be beneficial to DHSS in examining hospital outlier cases but will not be available for at least one year. In addition, DHSS has other issues of concern regarding hospital payments that need to be addressed, such as the recently enacted supplemental payment program for rural hospitals. Therefore, I am vetoing this provision in order to allow DHSS to set its own research

priorities and to allow sufficient time for data to be generated that will be useful for studying hospital outlier cases.

11. Child and Adolescent Service Plan
Section 9125 (16tn)

This provision requires the Department of Health and Social Services (DHSS) to develop and submit to the Joint Committee on Finance by January 1, 1992, a comprehensive plan under Medical Assistance for providing services to children with severe emotional disturbance or mental illness. I am vetoing this provision because such a plan would be premature at this time. DHSS is currently beginning the third year of a five-year pilot program that provides a comprehensive child and adolescent service system program in Dane County. The results of the pilot program should be evaluated before consideration of a statewide plan is made.

12. Legislative Audit of Health Maintenance Organizations
Section 9136 (6g)

This provision requests the Legislative Audit Bureau (LAB) to perform an audit of health maintenance organizations (HMOs) under the Medical Assistance (MA) program to examine rates, access and quality of care issues. I am vetoing this provision because several studies concerning the HMO initiative under the MA program have been recently conducted by the Department of Health and Social Services. In addition, it is not necessary to include requests for LAB audits in the budget bill. The Legislature has established procedures for requesting audits through the Joint Legislative Audit Committee.

13. Model Nursing Home Contract
Sections 1593m and 2714m

These provisions require nursing homes to use the model contract of admissions that was developed by a task force as required in 1989 Wisconsin Act 31 or to use an alternative contract only if it is approved by the Department of Justice (DOJ). 1989 Wisconsin Act 31 required the model contract to be readily understandable to nursing home consumers. I am vetoing these provisions because I believe current regulations concerning admissions contracts provide adequate consumer safeguards and therefore I do not believe it is necessary to require a nursing home to use the model contract or to have DOJ approval of its own contract. Under current state and federal laws, admissions contracts are required to be written in a manner and language that is understandable to the resident. State nursing home surveyors ensure that facilities comply with this requirement. In addition, residents' rights must be communicated to them both orally and in writing at the time of admission and must be properly displayed in the facility.

14. Hospice Licensing
Section 1595rm

This provision limits state licensing, inspection and regulation of hospices to those hospices that receive federal or state moneys for any purpose. The intent of this provision is to ensure that some of the smaller, rural hospices that are not certified medicare or Medical Assistance providers are not put out of business by unduly burdensome licensing requirements. I agree with this intent. I am a firm supporter of hospice care in Wisconsin, and I particularly value the services that rural hospices provide to the terminally ill and their families. However, substantial concern has been voiced over the inclusion of this provision in the budget bill. I am therefore vetoing this provision because this issue deserves further scrutiny. Elsewhere in this bill I am extending provisional licensing for hospices from 12 to 24 months. Thus, there is sufficient time for the Department of Health and Social Services (DHSS) to further examine and resolve this issue. I am therefore directing DHSS to withdraw the licensure rules that are pending before legislative committee, to examine the concerns that have been raised by the hospices and to modify the proposed rules so that a mutually acceptable solution to this problem is reached.

15. Adult Day Care Certification
Section 1595s

This provision allows the Department of Health and Social Services (DHSS) to provide uniform, statewide certification and regulation of providers of adult day care services and to promulgate rules of standards and procedures for certification. I am vetoing this provision because, while the authority granted to DHSS is permissive, I believe that creating statutory language concerning adult day care certification sets up expectations that DHSS will proceed with statewide uniform certification. I believe this issue needs further study and is perhaps more appropriately addressed in separate legislation.

16. State Health Insurance Program Pilot Projects
Sections 216 [as it relates to s. 20.435 (1) (fa) and (gq)], 443, 454b, 455b, 458m, 2682c, 2683d, 2685c, 2685m, 2687d and 9125 (19p)

These provisions appropriate \$507,700 GPR in fiscal year 1991-92 and \$1,370,800 GPR in fiscal year 1992-93 to continue the present state health insurance program (SHIP) pilot projects in Milwaukee, Outagamie and Rock Counties and to combine, expand and continue the pilots operating in Portage County. Expenditure authority of \$35,500 PR-O in fiscal year 1992-93 is also included for the costs of a local administrative contract in Portage County. In addition, these provisions allow the Department of Health and Social Services (DHSS) to transfer funds from the appropriation under s. 20.435 (1) (fa) for credit or deposit into the appropriation under s. 20.435 (1) (b) for the purpose of providing subsidies for the alternative health care coverage pilot project. These

provisions also require DHSS to evaluate the combined Portage County pilot project by January 1, 1993.

I am partially vetoing these provisions to terminate the SHIP pilots because I do not believe that they should be continued. Continuing the pilots in Milwaukee, Outagamie and Rock Counties without modification is contrary to the recommendations made by both DHSS and the Council on Pilot Projects for the Uninsured. I believe that continuing and expanding the pilots in Portage County is of limited value, since I will be again proposing a health insurance plan for small employers in the fall session. I am vetoing the requirement for an evaluation of the Portage County pilot project because I am vetoing the pilot project itself.

I am also partially vetoing these provisions so that DHSS may credit or deposit funds transferred from the appropriation under s. 20.435 (1) (fa), the SHIP pilot benefits appropriation, into the appropriation under s. 20.435 (1) (b), the Medical Assistance (MA) program benefits appropriation, without limitation as to purpose. I am making this change because there is no need to keep any excess carry-over funds from prior fiscal years in the SHIP pilot benefits appropriation since the pilots are not being continued. I am directing DHSS to transfer all excess carry-over from prior fiscal years from the appropriation under s. 20.435 (1) (fa) into the appropriation under s. 20.435 (1) (b). Because of this transfer, I am requesting the Department of Administration Secretary to place \$850,000 GPR in fiscal year 1991-92 into unallotted reserve in the appropriation under s. 20.435 (1) (b) to lapse to the general fund at the end of the biennium.

Finally, I am making one technical veto to section 443 to clarify that the amounts in the schedule under the MA program benefits appropriation may only be used to provide benefits for the alternative health care coverage pilot. This is not intended to continue the pilot but rather to allow DHSS to pay claims relating to this pilot that may come in after the pilot ends. Under the administrative rules governing MA, providers have up to 12 months from the date services were provided to submit claims for reimbursement.

17. Health Appropriations Funding
Section 216 [as it relates to s. 20.435 (1) (bm), (cm) and (e)]

These provisions fund Medical Assistance (MA) administration, immunization and disease aids in the Department of Health and Social Services (DHSS). The provisions are all biennial appropriations, which permits DHSS to expend dollars for programs that are funded under them that are budgeted for the biennium, in either year of the biennium.

I am vetoing the fiscal year 1991-92 funding for these appropriations because they could be funded from a reasonable increase in the state's cigarette tax. The ten cents per pack increase in Assembly Bill 91 is excessive. Since I cannot veto the increase back to a more

reasonable amount, I am vetoing the entire cigarette tax increase (see Tax Policy Item C-9). I am willing to support a more modest five cents per pack increase in the cigarette tax because health programs that were increased in Assembly Bill 91 that I approved, such as lead poisoning prevention programs, breast cancer screening and public health agency grants, are appropriately funded from such a source.

By this veto, the fiscal year 1991-92 GPR appropriations for the first year MA administration, immunization and disease aids are reduced to zero. This veto ensures that overall state GPR spending in fiscal year 1991-92 is in line with the estimated fiscal year 1991-92 general purpose revenue tax collections after my Assembly Bill 91 vetoes. Since these programs are funded through biennial appropriations, their fiscal year 1991-92 operations will not be affected by this veto. I will fully restore the fiscal year 1991-92 appropriations in subsequent budget legislation.

18. AIDS Clinical Trials
Section 216 [as it relates to s. 20.435 (1) (ao)]

This provision authorizes \$150,000 GPR in each fiscal year for the Acquired Immunodeficiency Syndrome (AIDS) Clinical Trials program under which a statewide consortium of physicians and hospitals would be established to test new, experimental drugs which could prevent or slow the progress of AIDS or the infection that causes AIDS in Wisconsin patients.

I am vetoing funding for this appropriation in fiscal year 1992-93. This funding was authorized on a one-time basis in 1989 Wisconsin Act 336 with the stipulation that the program sponsors raise an equivalent amount. However, the consortium has had difficulty in providing the matching funds, and I approved a motion passed by the Joint Committee on Finance under s. 13.10 for \$72,300 GPR for the consortium to use as part of its match. Because the consortium was unable to use the state funds appropriated in fiscal year 1990-91 and these funds lapsed to the general fund, I am willing to approve one year of funding this biennium to give the consortium the opportunity to make use of the amount originally appropriated. Therefore, I am not vetoing the first year funding but I am vetoing the second year funds, as these are intended to be one-time funds.

19. Family Planning
Section 9125 (21q)

This provision specifies allocations for three types of family planning services, one of which is for pilot programs to reduce the incidence of sexually transmitted diseases (STDs). For that service, \$186,000 GPR is allocated in each fiscal year.

While I believe that such pilot programs will be useful for promoting public health, I am partially vetoing the amount provided each year for the program to reduce the incidence of STDs because it appears excessive in light of the state's current fiscal constraints. As a result, I am

vetoing a digit in each fiscal year allocation to reduce funding to \$86,000 GPR in each fiscal year. I am also requesting the Department of Administration Secretary to place \$100,000 GPR in each fiscal year into unallotted reserve in appropriation s. 20.435 (1) (f) to lapse to the general fund.

I am also vetoing the reference to eight counties to give the Department of Health and Social Services more flexibility in funding pilot programs at a reduced funding level.

20. Lead Poisoning
Section 2695Lk

This provision allocates \$258,400 GPR in fiscal year 1991-92 and \$322,600 GPR in fiscal year 1992-93 for testing blood samples from children to detect the presence of lead.

I am vetoing this section because \$675,000 (all funds) each year is included in this budget under the Medical Assistance Health Check program for the same purpose. As a result, I am requesting the Department of Administration Secretary to place \$258,400 GPR in fiscal year 1991-92 and \$322,600 GPR in fiscal year 1992-93 into unallotted reserve in appropriation s. 20.435 (1) (ef) to lapse to the general fund.

Additionally, under section 2695Li, \$145,500 GPR in fiscal year 1991-92 and \$259,100 GPR in fiscal year 1992-93 is provided for educational activities with respect to lead poisoning. I believe that part or all of this funding may be needed. However, within the last month, the Department of Health and Social Services (DHSS) has received a grant award for \$200,000 PR-F for a lead poisoning program, but it is not yet clear what the funds may be used for. Until that intent has been made clear, I am requesting the Department of Administration Secretary to also place \$145,500 GPR in fiscal year 1991-92 and \$259,100 GPR in fiscal year 1992-93 into unallotted reserve in appropriation s. 20.435 (1) (ef) pending a determination of the appropriate use of the federal funds. When the purposes for which the federal funds can be used are known, I am directing DHSS to submit a plan to the Department of Administration outlining how the federal funds will be spent and identifying the amount and the purpose for which the GPR funds would be spent. Upon approval of the plan by the Department of Administration Secretary, all or part of the GPR funds may be released through the allotment process.

21. Early Identification of Pregnancy
Section 1363v

This provision authorizes funding of \$731,000 GPR in each fiscal year for the Early Identification of Pregnancy (EIDP) program. I am vetoing this provision because it is not clear whether it is appropriate at this time to expand EIDP statewide and to increase the per person funding for this program. This program partially duplicates the Medical Assistance (MA) care

coordination benefit and Teen Pregnancy Services (TPS) for 300 minors in Milwaukee County approved elsewhere in this budget, and I do not think it prudent to provide more funds for EIDP unless some effort is first made to ensure an appropriate balance between these three programs that largely serve the same clientele. Therefore, I am requesting the Department of Administration Secretary to place \$731,000 GPR in each fiscal year into unallotted reserve in s. 20.435 (1) (ev) for lapse to the general fund. In addition, since MA care coordination will be available beginning in fiscal year 1992-93, it is my intent to not provide exemptions from health maintenance organizations in fiscal year 1992-93 in order for 300 minors to use TPS. Elsewhere in this budget, I am vetoing appropriation s. 20.435 (1) (b) to zero for fiscal year 1992-93 (see Government Operations Item B-1). I do not intend to provide funding for TPS when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

22. Emergency Medical Services and Medical Care Councils
Sections 88g, 88m, 2654p, 2654q and 9125 (17v) and (17w)

These provisions establish two advisory councils: the Emergency Medical Services (EMS) Council and the Medical Care (MC) Council.

The EMS Council's functions are to advise the Department of Health and Social Services (DHSS) on policies and rules, develop a state EMS plan and a plan for regional trauma centers and assist in developing licensing standards. I am vetoing the provisions relating to this council because an EMS Assistance Board was approved under 1989 Wisconsin Act 102 which can perform similar duties. In addition, licensing and certification standards already exist and should not require major revision.

The MC Council is charged with duties quite similar to those of the EMS council, and in addition, the MC Council is to advise the state medical director of emergency medical services, a function for which no position was included in the bill. I am also vetoing provisions relating to this council because many of the functions proposed for the council can be addressed by the existing EMS Assistance Board and DHSS EMS program staff. In addition, no funding was provided to support these councils.

23. Health Care Access Board
Sections 56g, 97g, 97r, 216 [as it relates to s. 20.534], 624m, 1603m and 9160 (5f), (5g) and (5h)

These provisions establish a Health Care Access Board and six regional councils on health care funded at \$45,000 GPR in fiscal year 1991-92 and \$540,000 GPR in fiscal year 1992-93. The six regional councils are to evaluate health care needs in their regions, especially in underserved areas. Based on this assessment, the councils would recommend to the board the needed

services in the area. After the initial planning process, the board would award grants in fiscal year 1992-93 to service providers to address the health care needs in each area.

I am vetoing these provisions for two reasons. First, the charge to assess health care needs in underserved areas is very similar to that given to the Council on Rural Health Care. Second, this budget includes incentive funding for doctors serving the Medical Assistance (MA) population in underserved areas and increases in reimbursement rates for a variety of other MA providers. These increases, along with other state programs aimed at promoting access to health care in underserved areas, may help to attract service providers to areas where they are needed.

24. Health Care Device Safety Grants

Sections 216 [as it relates to s. 20.435 (1) (c)], 448g and 9125 (15d)

These provisions establish a Health Care Device Safety Grant program under which \$50,000 GPR in fiscal year 1991-92 and \$100,000 GPR in fiscal year 1992-93 would be awarded to hospitals and nursing homes for safety devices which help medical professionals prevent exposure to the AIDS virus through puncture wounds. Statutory language also requires the Department of Health and Social Services to conduct an extensive experimental study, similar to a clinical trial of a new drug, of the effectiveness of the devices used.

I am vetoing these provisions because the responsibility for providing the safest equipment available belongs to hospitals and nursing homes rather than the state. State funding should not be needed to motivate such institutions to develop and implement effective infection control programs. Further, the responsibility for evaluating the effectiveness of such devices belongs to the manufacturers who market these devices.

25. Office of Health Care Information Report

Sections 2695Lp and 2695Lq

These provisions require the Office of Health Care Information in the Department of Health and Social Services to report statistics annually on youths under 21 who undergo inpatient hospitalization. I am vetoing these provisions because it is inappropriate to legislate such a narrowly defined study. Current law allows anyone to request and pay for such studies. If such a report is of general interest, as are the reports currently mandated, then the issue should be addressed through separate legislation to ensure public scrutiny and debate.

26. Homeless Health Care

Sections 1383m and 9125 (16w)

These provisions authorize \$62,500 GPR in fiscal year 1991-92 and \$125,000 GPR in fiscal year 1992-93 for a public or nonprofit private entity to provide health care for homeless persons. In addition, the Department of Health and Social Services (DHSS) is required to

evaluate all health care grants for the homeless and submit a report to the Legislature by June 30, 1993.

I am vetoing the provision concerning health care because authorization of the funding would violate preestablished program standards and represent the state pickup of unawarded federal funds. In 1989 Wisconsin Act 31, state funding for homeless health care was appropriated on the condition that it be used as a match for federal McKinney Homeless program funding. A facility in northern Wisconsin applied for federal funds, and, while its application was approved, no funds were available. This provision removes the matching requirement and provides full state funding to this facility in a manner contrary to the standards appropriately established for this program. I am therefore requesting the Department of Administration Secretary to place \$62,500 GPR in fiscal year 1991-92 and \$125,000 GPR in fiscal year 1992-93 into unallotted reserve in appropriation s. 20.435 (1) (ce) to lapse to the general fund.

I am also vetoing the provision requiring DHSS to evaluate homeless health care programs because DHSS' evaluation resources are not limitless and DHSS should typically be allowed to set its own research agenda unless the severity and immediacy of a problem make a study mandate appropriate.

27. Informal Conference on Contested Actions

Section 1594m

This provision requires, rather than allows, the Department of Health and Social Services (DHSS) to hold an informal conference on contested actions concerning nursing homes or community-based residential facilities prior to holding a formal hearing. While I believe DHSS should make every effort to resolve problems informally, I am vetoing this provision because it removes DHSS' ability to act immediately in situations where the health, safety or welfare of a resident in these facilities may be threatened.

28. Parental Responsibility

Section 1479

This provision requires the Department of Health and Social Services (DHSS) to apply for a federal waiver and to implement the Parental Responsibility Pilot program in Milwaukee and three other counties. The program expands eligibility for Aid to Families with Dependent Children/Unemployed Parent (AFDC-U) benefits to include any two-parent family applying for aid. Further, the program provides for enhanced earned income disregards for these families.

I am partially vetoing these provisions because they require that the waiver application allow any family, regardless of the age of the mother and the marital status of the parents, to be eligible for participation in the pilot and specify the earned income disregards for the pilot, and I believe that these provisions unduly restrict DHSS' flexibility in applying for a federal waiver.

I believe the original initiative I proposed offers low-income families new opportunities for starting on the road to self-sufficiency. Welfare dependency is destructive to the lives and sense of worth of those dependent on government aid and is costly to society both in terms of personal and economic resources. I believe that implementation of a Parental Responsibility program that removes disincentives to marriage, improves earned income disregards, caps AFDC benefits for family size and requires minor mothers to live with responsible adults can help to break the cycle of welfare dependency.

The Parental Responsibility initiative for the first time offers hope to young low-income couples that wish to marry. By allowing these couples to marry and receive public assistance, the state will help them gain the security of medical care, child care, and cash assistance while they pursue employment and training programs leading to self sufficiency. A wide variety of benefits will be offered to these young people; in return, they will be expected to attend school, pursue employment opportunities and become responsible parents. The end result should help everyone — young families whose self-worth improves and our state, which saves money and gains a more productive citizenry.

I have implemented a number of welfare reform initiatives designed to aid families in moving from dependency to self sufficiency. The Parental Responsibility initiative is a fitting addition to Wisconsin's welfare reform efforts. Wisconsin was the only state to show a decline in AFDC caseloads from 1989 to 1990. A large part of this remarkable accomplishment was due to Wisconsin's strong economy and successful welfare reform programs. I want to continue this success, and I feel the Parental Responsibility pilot is a key component to this effort. I will continue to do my utmost to see to it that this important program receives a federal waiver and is implemented in Wisconsin.

29. New Hope Project
Section 9125 (3g)

This provision allocates funds for a pilot project in two City of Milwaukee neighborhoods. The project would expand eligibility for income maintenance to any family with an income below 200% of the poverty line. The project consists of job search, followed as needed by community work experience. Medical care, child care, and wage supplementation would be provided by the project. An interim evaluation of the project must be completed by January 1, 1993, and public funding cannot be used to pay for the evaluation. The New Hope project must raise matching private funding before public monies will be released.

I am partially vetoing this provision to reduce fiscal year 1991-92 funding by \$450,000 GPR because of the financial constraints on the budget. This will provide the project with initial funding of \$50,000 GPR in fiscal year 1991-92 and with base funding of \$500,000 GPR in fiscal

year 1992-93. It is my hope that this level of funding will act as sufficient seed money to enable the backers of New Hope to obtain funding from other private and public sources to make this project a success.

I am concerned that some aspects of the New Hope program are contrary to the direction that I have set for welfare reform. Therefore, I am directing the Department of Health and Social Services (DHSS) to work with New Hope staff to limit eligibility to families with an income level that is much less than 200% of the poverty level. In addition, wage supplementation should also be limited.

Participation in the project must be time-limited, and DHSS needs to work with New Hope staff to establish time limitations that conform to my other welfare reform initiatives. I strongly believe that individuals should not be allowed to qualify for long-term special benefits when their income is comparable to that of many other self-sustaining persons. Aid programs designed to help individuals enter the job market need to include the motivation provided by time-limited benefits to ensure that the individuals work hard to achieve financial independence.

30. AFDC-Unemployed Parent
Section 1467p

This provision expands eligibility for the Aid to Families with Dependent Children-Unemployed Parent (AFDC-U) program on a statewide basis by allowing recipients to substitute four quarters of school attendance for four of the six quarters of work experience required to qualify for AFDC-U benefits.

I am vetoing this provision for several reasons. The full fiscal effect of this expansion in AFDC-U eligibility is unknown. I am committed to assisting low income couples in improving their employability, but such assistance needs to be matched by family responsibility. The Parental Responsibility initiative will achieve this balance and completely remove the work requirement for AFDC-U families.

The Parental Responsibility initiative will be implemented as a pilot program, allowing the state to test this expansion in a controlled setting before expanding eligibility exemptions statewide. In addition, I am supporting a statewide pilot program, which will be implemented by this October, to allow AFDC-U families to work additional hours without the risk of arbitrarily losing benefits (the 100-rule exemption pilot).

31. Children's Poverty Reduction Initiative
Section 1474j

This provision requires the Department of Health and Social Services (DHSS) to apply for a federal waiver to implement a pilot program. The pilot program is designed to provide supplements to families eligible for Aid to Families with Dependent Children (AFDC), to bring those families up to 125% of the poverty line, if a child support order has been issued.

I am vetoing this provision for several reasons. The full fiscal effect of this provision is unknown, and no funding has been provided. Moreover, fiscal constraints on the budget necessitate that existing programs take first priority. I have already implemented the Jobs Opportunity and Basic Skills Training (JOBS) program on a statewide basis. Funding for Wisconsin's JOBS program has been reduced at the federal level, and existing programs under JOBS have a prior claim on resources that would be diverted to fund and staff the Children's Poverty Reduction Initiative.

Further, the provision runs counter to the concept of encouraging family formation. Elsewhere in the budget I am proposing a Parental Responsibility initiative that removes the disincentives that discourage family formation and improves the earnings of low-income families. Finally, the state has already received a waiver for a similar program, and it has not been implemented because the costs of evaluating such a program were found to be excessive.

32. Real Work Project

Section 1474k

This provision requires the Department of Health and Social Services (DHSS) to apply for a federal waiver to expand earned income disregards for the Aid to Families with Dependent Children (AFDC) program and to implement a Real Work project. The pilot project would provide certain families on AFDC with improved earned income disregards until the family's income reached 125% of poverty. In addition, county departments that administer the AFDC program would be required to assist AFDC recipients in obtaining federal and state earned income tax credits.

I am vetoing this provision because it creates an unfunded mandate for the counties and fails to link the incentives to personal responsibility. In addition, due to the fiscal constraints of the budget, existing programs must take first priority. I have already implemented the Job Opportunity and Basic Skills Training (JOBS) program on a statewide basis. Funding for Wisconsin's JOBS program has been reduced at the federal level, and existing programs under JOBS have a prior claim on resources that would be diverted to fund and staff the Real Work Project. Elsewhere in the budget I have provided for a Parental Responsibility initiative to improve earned income disregards matched with family responsibility. The Real Work project duplicates parts of the Parental Responsibility initiative.

The effect of this veto will be a -\$625,000 GPR reestimate in appropriation s. 20.435 (4) (d) in fiscal year 1992-93.

33. Work First Program

Sections 474, 491b, 500b, 520, 1556, 1558m and 9125 (3w)

These provisions define the Work First program and provide \$200,000 GPR matched with \$200,000 PR-F in each fiscal year to expand the program into two

additional counties. I am partially vetoing these sections because the Job Opportunity and Basic Skill Training (JOBS) program already encompasses the Work First idea and many counties in Wisconsin already meet the definition of a Work First county. Therefore, the statutory definition and program expansion language are unnecessary. However, I am not requesting that the additional funding be lapsed. Instead, the Department of Health and Social Services should use this funding to continue to improve Wisconsin's JOBS program, which is supported by the appropriations in which these funds were placed.

34. Community Service Jobs

Sections 216 [as it relates to s. 20.435 (7) (cu)], 514n, 1296r and 9125 (1r)

These provisions appropriate \$200,000 GPR in each fiscal year to be awarded to a nonprofit corporation to provide community service jobs and skill training for young adults (age 18 to 23). Eligibility will be limited to young adults who: (a) reside in Milwaukee County; (b) have dropped out of high school or graduated with skill deficiencies; and (c) have incomes below 150% of the poverty level. The Department of Health and Social Services is to evaluate the project by January 1, 1994. In addition, the grant recipient must evaluate the proposed project according to stated criteria.

I am vetoing these provisions because the program duplicates many of the features of the Wisconsin Service Corps program being created elsewhere in the budget.

35. Learnfare Sanctions

Sections 1548r, 1551m and 1552e

These provisions delete the requirement that Learnfare pupils on waiting lists for Children At Risk programs are required to attend school or face a Learnfare sanction. I am vetoing these provisions because they are contrary to other Learnfare provisions. One of the goals of the Learnfare program is to return students to school as quickly as possible. Further, under the compulsory attendance law all children are required to attend school. Finally, funding is provided elsewhere in the budget to fund alternative education slots in the City of Milwaukee.

36. Learnfare Waiver

Sections 1552g and 1553e

These provisions require the Department of Health and Social Services (DHSS) to apply for a federal waiver amendment to create exceptions from Learnfare sanctions. If the waiver amendment is approved, county departments responsible for administering the Aid to Families with Dependent Children (AFDC) program would have to conduct an interview with the AFDC recipient to determine whether he or she failed to attend school prior to imposing Learnfare sanctions. In addition, the county would be required to implement a case management plan for at least 30 days and the

recipient would have to refuse to cooperate with the plan before a sanction could be imposed.

I vetoed similar language in 1989 Wisconsin Act 336, and I am vetoing these provisions now because I believe they strike an inappropriate balance between individual and parental responsibility on the one hand and governmental responsibility on the other. I believe that the responsibility for ensuring school attendance properly rests with the family. Furthermore, a combination of services and sanctions applied simultaneously should be more effective in resolving school attendance problems.

37. Learnfare Case Management
Section 1363e

This section requires Milwaukee County to offer case management services, starting at the time a child is placed on monthly monitoring under the Learnfare program, within the limits of state and federal funding. The Legislature failed to provide any additional funding to expand Learnfare case management services for students on monthly monitoring. I am vetoing this section because this change is unnecessary. Under current law, any county may offer case management services to children on monthly monitoring, within the limits of state and federal funding.

Retaining this provision would lead to the expectation that the state is going to provide additional funding to expand such services beyond the current level.

38. Healthy Start Program Staff
Sections 1481i and 9425 (5f)

These provisions require the Department of Health and Social Services (DHSS) to provide funding, starting in calendar year 1992, to Milwaukee County to hire additional local income maintenance staff to process Healthy Start applications. I am vetoing these provisions because this workload is assumed within the county income maintenance workload formula being implemented elsewhere in the budget. A specific statutory reference for Milwaukee County Healthy Start staffing is unnecessary.

The Legislature provided \$91,800 GPR and \$91,800 PR-F in fiscal year 1991-92 and \$165,100 GPR and \$165,100 PR-F in fiscal year 1992-93 to fund this requirement. I am not requesting that the funding be lapsed. Instead, I am directing DHSS to work with Milwaukee County to ensure that Healthy Start cases are processed promptly. While the funds provided may be used on an interim basis to assist Milwaukee County in handling its Healthy Start workload, it is my intention that these funds be integrated into the general Income Maintenance Aids workload formula upon implementation of that formula in calendar year 1993.

39. General Relief
Sections 1448, 1448m, 1463k, 9125 (3h) and (4v) and 9425 (9q)

These provisions make various changes to the General Relief (GR) program. Counties are required to submit annual reports to the Department of Health and Social Services (DHSS), describing standards of need and the basis for those standards. DHSS is required to review county standards of need on an annual basis and to provide counties with information on basic maintenance needs and housing costs. These provisions also require that increased GPR funds for GR reimbursement only be used for medical costs. DHSS is required to complete a study of county GR eligibility determination factors by January 1, 1992. Finally, the provisions exempt \$100 per month in earnings and goods and services received from private nonprofit organizations from being considered in calculating eligibility for GR benefits.

I am vetoing these provisions because the Wisconsin Social Service Association has formed a study group to review all GR provisions. The study group should have recommendations available this fall, and these views should be considered before any changes are made to the GR program. In addition, many of these provisions place additional mandates on the counties and would result in new costs for them. Finally, limiting additional reimbursement funding to just medical expenses prohibits DHSS from allocating any available funding for nonmedical expenses and diminishes county incentives to contain medical costs, the fastest growing component of GR.

40. Public Assistance Application Forms
Sections 1466h, 1466k and 9125 (3gm)

These provisions require the Department of Health and Social Services (DHSS) to simplify the combined application form used for public assistance benefits. DHSS is directed to collect on such forms only information needed to determine eligibility or that is required to be collected by the federal government. I am vetoing these provisions for several reasons. DHSS is currently redesigning the combined application form with assistance from advocates, county staff and recipients. DHSS is also making it easier for applicants to complete application forms as part of its redesign effort of the computer reporting network (CRN). Finally, the information requested on the application form assists DHSS in determining the success of welfare reform initiatives and enables DHSS to modify program elements to respond to recipients' changing needs. I vetoed similar language in 1989 Wisconsin Act 336 and am doing so again because I do not believe it is appropriate to place limitations on DHSS' ability to gather such information from recipients.

41. Hunger Prevention
Sections 1227m, 1227n and 9136 (1n)

These provisions require the Department of Health and Social Services (DHSS) to submit an annual report to the

Legislature on federal reductions in hunger prevention programs, require DHSS to conduct public information programs about the Good Samaritan liability exemption law, provide \$50,000 GPR in each fiscal year for this outreach program, and request the Legislative Council to conduct a study of hunger in Wisconsin and report to the Legislature by January 1, 1993.

I am vetoing these provisions for several reasons. The future of federal hunger prevention funds is unknown, and it is unclear from the language what the conditions and purpose of the DHSS report are. The General Accounting Office of the federal government monitors all federal programs and regularly issues reports on these programs. DHSS recently mailed a survey to hundreds of restaurants and grocery stores. The survey material informed them about the Good Samaritan law, which grants an exemption from civil liability to firms that donate qualified food to charitable organizations. Some community action agencies currently do outreach activities, and these agencies are appropriate providers of this type of outreach education. Requests for Legislative Council studies generally do not belong in the budget bill.

To reflect this veto, I am requesting the Department of Administration Secretary to place \$50,000 GPR in fiscal year 1991-92 into unallotted reserve in appropriation s. 20.435 (4) (a) for lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

42. Food Stamp Outreach

Sections 216 [as it relates to s. 20.435 (4) (dq)], 474j, 1369e and 9125 (3j)

These provisions create a grant program for nonprofit organizations to conduct outreach activities for the food stamp program and appropriate \$5,000 GPR and \$5,000 PR-F in fiscal year 1991-92 and \$70,000 GPR and \$70,000 PR-F in fiscal year 1992-93 for this purpose. The Department of Health and Social Services (DHSS) is required to evaluate and report on the funded projects by January 1, 1994. DHSS is provided with position authority (0.25 FTE GPR and 0.25 FTE PR-F in fiscal year 1992-93) and funds for program administration and project evaluation.

I am vetoing these provisions because I do not regard a special food stamp outreach effort as needed at this time. I vetoed similar language in 1989 Wisconsin Act 336 for the same reason. Wisconsin uses a combined application form for public assistance programs which ensures that persons who apply for other forms of aid are automatically considered for food stamps. Knowledge of the availability of food stamps is sufficiently widespread that I do not feel a demonstrated need exists for this outreach effort.

43. AFDC Emergency Assistance Definition

Sections 1469g and 1469h

These provisions expand the definition of "homeless family" used for eligibility for Aid to Families with Dependent Children (AFDC) emergency assistance benefits and require that applications be processed within seven days. I am vetoing these provisions because the new definition dramatically expands eligibility for the program benefit but no additional funding was provided by the Legislature. County Income Maintenance offices strive to process these cases as quickly as possible and a state mandate is unnecessary.

44. Low Income Energy Assistance Program Outreach

Section 1328m

This section allocates \$40,000 GPR in both fiscal year 1991-92 and 1992-93 to continue Low-Income Energy Assistance Program (LIEAP) outreach services in Dane and Dodge Counties and to expand outreach services to Columbia County. I am vetoing this section because the Department of Health and Social Services (DHSS) already allocates \$600,000 PR-F to conduct LIEAP outreach for the entire state and plans to add an additional \$100,000 PR-F to this effort in federal fiscal year 1992. Subsidizing this effort with GPR funds for a few counties is both unnecessary and inappropriate.

In general, I am vetoing funding in this budget for local programs where there is no evidence that the problem being addressed is more severe in the locality for which funding is provided than it is elsewhere. I have preferred as much as possible to provide funding for statewide programs, such as Community and Youth Aids, rather than to provide small amounts for specific local programs whose need is difficult to assess at the state level.

With this veto, I am requesting the Department of Administration Secretary to place \$40,000 GPR in fiscal year 1991-92 into unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

45. WISCAP Staff

Sections 514b and 9125 (4p)

These provisions allocate \$20,000 GPR funding in fiscal year 1991-92 and fiscal year 1992-93 for a staff position for the Wisconsin Community Action Program Association (WISCAP). I am vetoing these provisions because WISCAP currently receives adequate administrative funding for grants that it manages. I am requesting the Department of Administration Secretary to place \$20,000 GPR in fiscal year 1991-92 and \$20,000 GPR in fiscal year 1992-93 into unallotted reserve in

appropriation s. 20.435 (4) (cr) for lapse to the general fund.

46. AFDC Emergency Assistance Appropriation
Sections 216 [as it relates to s. 20.435 (4) (dc)] and 517b

These provisions change the Aid to Families with Dependent Children (AFDC) emergency assistance appropriation from an annual to a continuing appropriation. I am partially vetoing these provisions in order to maintain fiscal accountability, so that unspent funds will lapse to the general fund.

47. Child Support Fee Study
Section 9125 (4f)

This provision requires the Department of Health and Social Services to complete a study of child support collection fees by January 1, 1992. I am vetoing this provision because the study is unnecessary. Elsewhere in the budget, counties are given the flexibility to increase fees collected by the clerk of court for receiving and disbursing money deposited as payment for child support, family support or maintenance.

48. Child Support Incentives
Sections 1249b and 1249b

These provisions create a formula-driven child support incentive program for counties that is funded directly by the PR-O appropriation for Child Support. However, since the funds in that appropriation are used to offset expenditures that would otherwise be supported by the GPR Aid to Families with Dependent Children (AFDC) benefits appropriation, the practical effect of these provisions is to increase GPR expenditures. To recognize this, the Legislature increased the sum sufficient estimate in the AFDC appropriation by \$200,000 GPR in fiscal year 1991-92 and by \$400,000 GPR in fiscal year 1992-93.

These provisions establish a 20% incentive rate for AFDC collections (based on prior year collections) and a 10% rate for non-AFDC collections, tied to the federal incentive ratio. I am partially vetoing these provisions for several reasons. The budgeted estimate is understated by approximately \$500,000. Creating a sum sufficient formula obligates the state to increased future costs without any control over the program. In addition, these provisions use state funds to supplant decreased federal funding, and this is an inappropriate action.

I understand that some counties are experiencing deficits in their child support programs. Nevertheless, these provisions are not directed exclusively toward such counties. Almost half of the enhanced incentive payments would go to counties whose revenues from child support programs already exceed their related expenditures. Counties also receive federal incentive payments for collecting lying-in costs in certain paternity cases. Finally, I have elsewhere in this budget permitted counties to increase their child support collection fees for clerk of court offices from \$10 to \$25 a year. Counties

that increase their fees should be able to use these funds to help offset losses they may be experiencing in federal incentives.

The effect of this veto will be a -\$200,000 GPR reestimate in appropriation s. 20.435 (4) (d) in fiscal year 1991-92 and a -\$400,000 GPR reestimate in fiscal year 1992-93.

49. Community Aids Restructuring and Funding
Sections 463d, 521m, 1234d, 1238d, 1251m, 1252d, 1253b, 1259m, 1261d, 1296t, 1297d, 1308d, 1317m, 1317s, 1373m, 1444d, 1500d, 1601m, 9125 (5d) and 9425 (5j)

These provisions restructure the Community Aids program into allocations based on client groups, an emergency allocation, a day care allocation, and a special category of pilot programs with requirements for review after three years. In doing so, the current Youth Aids appropriation is folded into Community Aids, the Services for Persons With Epilepsy and the Supported Employment programs are moved from the Grants to Community Programs appropriation to the Community Aids appropriation, and the Alzheimer's Family and Caregiver Support program is moved from the Community Aids appropriation to the Programs for Senior Citizens and Elder Abuse Services appropriation. In addition, these provisions specify in statute the goals of Community Aids and the duties of the state and counties, set up rules for inter-allocation transfer and for the payment of administrative costs based on a time study by the Department of Health and Social Services (DHSS) and broaden the use of emergency funds.

Under these provisions, the Community Aids and Youth Aids programs are provided a 1.75% increase in calendar year (CY) 1992 and an additional 1.75% increase in CY 1993, the Youth Aids High Crime Supplement is increased by \$250,000 for the period January 1992 through June 1993, the Alzheimer's Family and Caregiver Support program is increased by \$300,000 in fiscal year 1992-93 and the Family Support program is increased by \$872,000 in fiscal year 1992-93.

I am vetoing the restructuring of Community Aids because I do not believe that creating a structure around target populations will have any useful effect in improving the administration of programs or the quality of services delivered. The current structure, which provides approximately 75% of funding to the basic county allocation, provides more flexibility to counties than the proposed structure. Further, I am vetoing the provisions that would transfer the Alzheimer's Family and Caregiver Support program to the Senior Citizens and Elder Abuse appropriation since the program is more appropriately located under Community Aids. With this veto, I am directing the Department of Health and Social Services (DHSS) to maintain the program funding categories specified in current law.

I am vetoing the repeal of the Community Youth and Family Aids appropriation because I believe this program should be kept administratively separate from

the Community Aids program. Although there will be no funding in this appropriation in fiscal year 1992-93, it is my intent in the future to propose the recreation of the Youth and Family Aids program in the Division of Youth Services, and it is therefore advantageous to retain the current appropriation structure.

I am vetoing all of the statutory allocations for Community Aids except for the Child Day Care Services allocation and the pilot projects allocations. I am objecting to the provision of an annual increase of 1.75% for Community Aids and the provision of a \$300,000 increase in fiscal year 1992-93 for the Alzheimer's Family and Caregiver Support program and an \$872,000 increase in fiscal year 1992-93 for the Family Support program because they are not affordable at this time of fiscal constraint and Community Aids just received very substantial increases in CY 1991. Counties received either equity increases or a 10.1% increase in their basic allocation for CY 1991. These increases required the provision of an additional \$17.8 million each year of the biennium to fully fund the base, and the state cannot afford the full additional increases provided for the next two calendar years by the Legislature.

However, I understand the severity of the problems that require publicly funded social services and am sympathetic to the fiscal plight of counties in addressing these problems. In addition, I believe that providing funds to localities through the Community Aids program, which allows counties significant flexibility in determining their own priorities, makes more sense than for the Legislature and Governor to try to determine which local programs are more deserving of state support than others. As a result, I am vetoing in this bill many allocations of funds to specific local social service programs and am choosing to provide instead a modest increase to the more principled Community Aids program that will go to all counties in the state.

I am therefore directing DHSS to allocate increases of 1% in CY 1992 and an additional 1% in CY 1993 to the following Community Aids programs: Basic County Allocation, Categorical Allocation for Services to Children, Supportive Home Care, Community Support Programs, CommunityBased Programs for the Developmentally Disabled, Family Support Programs, Alzheimer's Family and Caregiver Support, Family-Based Services, and Alcohol and Other Drug Abuse Treatment Programs. I am excepting Child Day Care Services from this 1% annual increase because of the large increase in federal funding received for this purpose. I am also excepting Emergency Funds because this allocation has been underspent in recent years and has been reduced by the Legislature to reflect the underspending.

In addition, because I am also sensitive to the growing need to address the problems of delinquent youth, I have retained the statutory provisions requiring DHSS to allocate the full increases provided to counties by the Legislature for Youth and Family Aids. Youth Aids

received a 6% increase for CY 1991, and this required the provision of an additional \$1.5 million each year of the biennium to fully fund the base. However, this was not as large an increase as Community Aids received, and I have therefore decided to provide a somewhat larger percentage increase to Youth Aids than to Community Aids for CY 1992 and CY 1993.

Since the budget has passed the Legislature, an additional \$711,000 PR-F from the Social Services Block Grant has become available in fiscal year 1991-92 to the state. I intend that these funds be used to offset GPR that would otherwise be required to fund the Community Aids increases outlined above.

To reflect these funding decisions and the retention of the Alzheimer's Family and Caregiver Support program in Community Aids, I am directing DHSS to allocate not more than \$203,206,500 GPR in fiscal year 1991-92 and \$290,064,600 GPR in fiscal year 1992-93 from appropriation s. 20.435 (7) (b) and am requesting the Department of Administration Secretary to place \$903,200 GPR in fiscal year 1991-92 in unallotted reserve in this appropriation for lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program beyond the allocation specified above when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation. To reflect my veto of the transfer of the Alzheimer's Family and Caregiver Support program to the Programs for Senior Citizens and Elder Abuse Services appropriation, I am also requesting the Department of Administration Secretary to place \$936,100 GPR in fiscal year 1991-92 and \$2,118,600 GPR in fiscal year 1992-93 into unallotted reserve in appropriation s. 20.435 (7) (dh) for lapse to the general fund.

50. Culturally Specific Contract Language
Sections 1274g, 1276g, 1330 [as it relates to culturally specific contract language], 1333, 1364m, 1372m and 1422m

These provisions require the Department of Health and Social Services (DHSS) to ensure that contractual and staffing patterns and the planning, management and delivery of services reflect the cultural characteristics of the populations served for the following programs: Early Intervention for High Risk Youth, Treatment Alternative, Youth Gang Diversion and Alcohol and Other Drug Abuse (AODA) Services, Intensive Aftercare, Capacity Building for AODA Treatment, and a Multidisciplinary Prevention and Treatment Team for Cocaine Families.

I am vetoing these provisions because, while service agencies should be culturally sensitive, I strongly object to statutory requirements that put employers in a position where they might feel they had to adopt hiring practices that are illegal under state sex and race discrimination laws. Under the requirements vetoed

here, it is possible that an agency that had a staff composed of persons of different races and sexes and that was providing services to a population composed almost exclusively of one race and sex would feel it had to inappropriately let go many of its current staffers to meet this requirement. In addition, forcing changes in staffing, directors and management boards could be disruptive to existing programs, cause services to be delayed and put the state at legal risk.

DHSS is sensitive to the cultural needs of clients served in these programs and, where appropriate, designs Requests for Proposals to specify the goals of using minority agencies and taking into account the unique needs of minority women. I am highly sympathetic to this goal and support culturally sensitive service delivery, but this must be implemented in a manner that does not run counter to the state's antidiscrimination statutes. Finally, I believe that current state practices are appropriate for promoting the goal that services be delivered to client groups in a culturally sensitive manner and in conformity to state anti-discrimination law.

51. Domestic Abuse Program Funding
Sections 1376t and 3697m

Section 1376t increases funding for domestic abuse grants by \$435,900 GPR in fiscal year 1991-92 and \$788,400 GPR in fiscal year 1992-93 and specifically earmarks the increased funding for: (a) increases to organizations currently receiving grants; (b) funds for counties and tribes that currently do not have organizations within their boundaries that receive state funds; (c) funds for organizations that provide peer support and counseling to children who have witnessed domestic abuse, legal advocacy services to victims of domestic abuse and services to victims to develop self-sufficiency and independent-living skills; (d) a grant to People Against Violent Environment, Inc., in Dodge County; (e) a grant to Friends Aware of Violent Relationships shelter in Fond du Lac County; (f) grants to organizations currently not receiving state funding including two organizations that provide shelter facilities in the northern, southern or eastern regions of the state, and two organizations that provide private home shelter, one in the eastern and one in the southeastern region of the state; (g) increased funds to the Tri-County Council on Domestic Abuse and Assault in Oneida County for counseling services; (h) a grant for partial funding of a 24 hour telephone service in the city of Milwaukee; (i) a grant to a domestic abuse crisis service in Rock County; (j) a grant to an organization in Sauk County; (k) a grant to Safe Harbor in Sheboygan County; and (l) a grant to Daystar, Inc., in the City of Milwaukee. Section 3697m earmarks current funds to the Domestic Violence Center in Manitowoc County.

I am vetoing all special earmarked allocations and partially vetoing the increased funding levels to allocate \$107,500 GPR in fiscal year 1991-92 and \$275,000 GPR in fiscal year 1992-93 as grants to counties, tribes and organizations that are currently not receiving state

funding. By increasing the funding for domestic abuse grants and eliminating special earmarked allocations, I am giving the Department of Health and Social Services and the Council on Domestic Abuse more flexibility to award grants to areas of the state that have the greatest demonstrated need for these services.

With this veto, I am requesting that the Department of Administration Secretary place \$328,400 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (cb) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program beyond the increased allocation level specified above when the appropriation level is set for fiscal year 1992-93.

52. Domestic Abuse Grant Limits
Section 1376h

This section stipulates that no domestic abuse grant may exceed \$100,000 annually and that an organization may receive more than one grant. I am partially vetoing this section because I believe the \$100,000 limit on grants has minimal practical effect if an organization may receive more than one grant. With this veto, I am simplifying the grant limitations by removing the dollar limit and providing only that no organization may receive more than 70% of its operating budget from grants for domestic abuse.

53. Elderly Benefit Specialist
Sections 1370, 1370e and 1371

Sections 1370 and 1370e allocate base funding plus an increase of \$120,400 GPR in fiscal year 1991-92 and \$205,100 GPR in fiscal year 1992-93 to counties whose benefit specialists provide less than 38 hours of services to enable them to provide 38 hours of services and allocate \$16,600 GPR in each fiscal year to provide a 15% increase to counties whose specialists currently provide 38 hours of services. Section 1371 increases funding by \$66,300 GPR in fiscal year 1992-93 to area agencies on aging for training, supervision and legal back-up services for the benefit specialist program. I am partially vetoing these provisions because, during periods of limited financial resources, a 15% increase for counties that offer full-time service is excessive and additional training, supervision and legal services activities are not a sufficiently high priority at this time. However, the benefit specialists perform a very important service for the elderly, and I feel that it is important that additional funding be provided to counties so that specialists can provide 38 hours of services.

I am therefore directing the Department of Health and Social Services to allocate to aging units to provide benefit specialist services for older persons a total of \$951,900 GPR in fiscal year 1991-92 and \$1,053,200 GPR in fiscal year 1992-93 for the base and the increases I am approving. I am also requesting the Department of

Administration Secretary to place \$16,600 GPR in fiscal year 1991-92 and \$82,900 GPR in fiscal year 1992-93 in unallotted reserve in appropriation s. 20.435 (7) (dj) to lapse to the general fund.

54. Grants To Chapters of American Red Cross
Section 9125 (3d)

This provision requires the allocation of \$194,000 GPR in fiscal year 1991-92 to chapters of the American Red Cross in Wisconsin for emergency communication services, short-term financial assistance and information, referral and advocacy services to persons who served in support of Operation Desert Shield or Operation Desert Storm and their families. I am partially vetoing this provision by removing one digit to allocate \$94,000 in fiscal year 1991-92 to Wisconsin chapters of the American Red Cross because, although I recognize the hardships that have occurred due to Operations Desert Shield and Desert Storm, I feel that a one-time state commitment of \$94,000 is sufficient until the Wisconsin chapters receive additional funds from other sources to assist military personnel and their families. With this veto, I am requesting the Department of Administration Secretary to place \$100,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) for lapse to the general fund.

55. Services to Individuals Discharged from Michigan Shores Nursing Home
Section 1336d

This provision requires the Department of Health and Social Services (DHSS) to allocate \$145,100 GPR in fiscal year 1991-92 and \$59,900 GPR in fiscal year 1992-93 to counties that are fiscally responsible for providing community services to individuals discharged from the Michigan Shores Nursing Home in Manitowoc County as a result of the closure of that facility. I am partially vetoing this provision to require DHSS to allocate only \$59,900 GPR in fiscal year 1991-92 to counties fiscally responsible for services to the discharged individuals. 1991 Wisconsin Act 22 allocated \$135,000 GPR for fiscal year 1990-91 to the affected counties, and the additional \$59,900 GPR funding in fiscal year 1991-92 will provide assistance until the counties can use the increased funding provided in this budget bill for the Community Options Program.

With this veto, I am requesting the Department of Administration Secretary to place \$85,200 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93.

56. Residential Long-Term Alcohol and Other Drug Abuse Treatment in the City of Milwaukee
Section 1331i

This provision requires the Department of Health and Social Services (DHSS) to allocate \$479,100 GPR in fiscal year 1991-92 and \$958,100 GPR in fiscal year 1992-93 for residential long-term treatment for alcohol and other drug abuse, including treatment with respect to family relationships, antisocial behavior and employability, in the City of Milwaukee. I am partially vetoing this provision to approve an allocation of only \$79,100 GPR in fiscal year 1992-93 because fiscal constraints necessitate cautious commitment of state funds for new programs at this time. The level of funding that I am approving should be sufficient for planning and startup costs while agencies work to secure additional federal and local funds for this program.

With this veto, I am requesting the Department of Administration Secretary to place \$479,100 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program beyond the allocation approved above when the appropriation level is set for fiscal year 1992-93.

I am also vetoing language in the provision that requires allocation of the funds directly to Milwaukee County since I want the DHSS to award grants through the Request for Proposal process and thus have oversight of the state funds.

57. Programs for Senior Citizens and Elder Abuse Services Appropriation
Section 216 [as it relates to s. 20.435 (7) (dh), elder abuse services grants and elderly nutrition programs]

Elder Abuse Services Grants. This provision appropriates \$286,700 GPR in fiscal year 1991-92 and \$573,400 GPR in fiscal year 1992-93 for grants to counties to provide services for victims of elder abuse. Although there is no language in the budget bill that authorizes this increase, the Joint Committee on Finance passed a motion during its budget deliberations to authorize these funds for elder abuse services. The funds were included in the appropriation in the committee's substitute amendment to the budget bill and were retained throughout the legislative process.

I object to the expansion of funding for these programs at the level approved by the Legislature. The current base for these activities is \$25,000 GPR each fiscal year. I object to the proposed percentage increases because they are excessive and the amounts provided are unaffordable for the state in this period of fiscal constraint. I am willing to approve a substantial increase of \$125,000 GPR in fiscal year 1991-92 and of \$200,000 GPR in fiscal year 1992-93 for this program. By lining out the Department of Health and Social Services' (DHSS) s.

20.435 (7) (dh) appropriation and writing in a smaller amount that deletes \$161,700 GPR in fiscal year 1991-92 and \$373,400 GPR in fiscal year 1992-93 for this purpose, I am vetoing the part of the bill which funds this program at the level approved by the Legislature and have provided a reduced amount.

Elderly Nutrition Programs. This provision appropriates \$500,000 GPR in fiscal year 1992-93 for increasing state supplementary funding to federal congregate nutrition projects. Although there is no language in the budget bill that authorizes this increase, the Senate included this increase in an amendment to the engrossed bill, and these funds were retained throughout the legislative process.

I object to such a large expansion of funding for this program at the level approved by the Legislature. In addition to direct federal support, these programs also currently receive supplementary state funding of \$4,591,000 GPR. I object to the proposed increase because the current state commitment to this program is substantial and the increase provided is excessive and unaffordable for the state in this period of fiscal constraint. Moreover, the funds were to be provided beginning January 1, 1993, which would require an additional \$500,000 GPR each fiscal year in the subsequent biennium to fully support the increased base. I am willing to approve an increase of \$50,000 GPR for this program in fiscal year 1992-93. By lining out the DHSS s. 20.435 (7) (dh) appropriation and writing in a smaller amount that deletes \$450,000 GPR in fiscal year 1992-93, I am vetoing the part of the bill which funds this program at the level approved by the Legislature and have provided a reduced amount.

The total fiscal effect of the two parts of this veto of DHSS s. 20.435 (7) (dh) appropriation is a reduction of the appropriation by \$161,700 GPR in fiscal year 1991-92 and by \$823,400 GPR in fiscal year 1992-93. I am also requesting the Department of Administration Secretary not to allot these funds.

58. Capacity Building for Treatment Program

Sections 216 [as it relates to 20.435 (7) (cp)] and 9125 (19g)

These provisions require allocation of \$649,700 PR-F and \$183,700 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 as capacity building funds for specialized services and treatment for pregnant women and mothers with alcohol and other drug abuse treatment needs and their dependent children up to age five. I am partially vetoing these provisions to eliminate funding for the program in fiscal year 1992-93 because the purpose of capacity building is to provide for initial startup costs for a program. Continued funding in fiscal year 1991-92 will give the grant recipient organizations additional time to secure funding from other sources and establish the usual payment for services rendered to clients.

59. Integrated Services for Children with Severe Disabilities

Sections 1349d, 1350d and 9125 (16t)

These provisions permit the Department of Health and Social Services (DHSS) to allocate \$30,000 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 for performance of an evaluation, to be submitted to the appropriate standing committees on children by February 1, 1992, of the Integrated Services for Children with Severe Disabilities Program (ISP) and for training for providers of services for the program. The evaluation must include DHSS' recommendations regarding continued funding for the program and sources of that continued funding. The provisions require DHSS to allocate \$24,000 GPR in the first six months of 1993 to increase funding to counties currently participating in ISP and to allocate \$80,000 GPR in the first six months of 1993 to two counties currently not participating in ISP.

I am vetoing the special evaluation of the program by February 1, 1992, because I believe the evaluation required under current law by January 1, 1992, will be sufficient. ISP is a pilot program and, while there are preliminary indications that the program is successful, it is premature to increase funding to current participants or to expand the program until a quantitative evaluation of ISP is completed. Thus, I am vetoing the provisions which fund training of service providers, increases to existing programs and expansion of the program. I am therefore requesting the Department of Administration Secretary to place \$30,000 GPR in fiscal year 1991-92 and \$134,000 GPR in fiscal year 1992-93 in unallotted reserve in appropriation s. 20.435 (7) (co) to lapse to the general fund.

60. Independent Living Centers

Section 9125 (4q) and (12j)

Section 9125 (12j) requires the Department of Health and Social Services (DHSS) to allocate \$55,000 GPR in fiscal year 1991-92 and \$110,000 in fiscal year 1992-93 to establish an Independent Living Center in the City of La Crosse. Section 9125 (4q) requires DHSS to allocate \$25,000 GPR in fiscal year 1992-93 to the North Country Independent Living Program to establish a secondary office in the City of Ashland.

I am vetoing the expansion of the Independent Living program since, in establishing priorities during this period of limited financial resources, my priority is to fund programs that meet statewide needs rather than to fund programs of primarily local impact. I am requesting the Department of Administration Secretary to place \$55,000 GPR in fiscal year 1991-92 and \$135,000 GPR in fiscal year 1992-93 in unallotted reserve in appropriation s. 20.435 (7) (c) to lapse to the general fund.

61. Adolescent Choices Program
Section 1406

This provision requires the Department of Health and Social Services to allocate not more than \$280,000 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 for the Adolescent Choices Program to reduce adolescent pregnancy and to enhance self-esteem, interpersonal skills and responsible decision making. I am partially vetoing this provision to reduce funding by \$70,000 GPR in each fiscal year and thus return to the base funding level because increased funding for this program is not warranted at this time. I am aware of the need to address the problem of adolescent pregnancy prevention in the state. However, in addition to substantial state resources devoted to this purpose in the base, elsewhere in this budget I have approved an increase of \$396,000 GPR for a new grant program under the Adolescent Pregnancy Prevention and Pregnancy Services Board. With this veto, I am requesting the Department of Administration Secretary to place \$70,000 GPR in fiscal year 1991-92 and fiscal year 1992-93 in unallotted reserve in appropriation s. 20.435 (7) (eg) to lapse to the general fund.

62. Family Workshops
Sections 503b [as it relates to Family Workshops] and 9125 (21p)

These provisions allocate \$200,000 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 as grants for community programs to fund workshops for parents and children on issues relating to sexuality and other risk behaviors. I am vetoing these provisions because this program duplicates some of the purposes of new grants to be made by the Adolescent Pregnancy Prevention and Pregnancy Services Board that I have approved elsewhere in this budget. In addition, I do not believe that the purposes and processes for such workshops have been sufficiently thought through at this time to warrant the allocation of funds to such workshops.

With this veto, I am requesting the Department of Administration Secretary to place \$200,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93.

63. Family Preservation Program
Sections 533v, 1336w, 1402g, 3026p and 9125 (8x)

These provisions: (a) require the Department of Health and Social Services (DHSS) to allocate \$1,500,000 GPR in calendar year 1992 and \$750,000 GPR in the first six months of calendar year 1993 for the Family Preservation Program, a newly created program designed to reduce the number of children removed from their homes; (b) create an appropriation for gifts, grants, bequests and trust funds to provide assistance for the

program; (c) allocate \$100,000 GPR in fiscal year 1991-92 and \$150,000 GPR in fiscal year 1992-93 for administration and evaluation of the program; and (d) require DHSS to submit a plan to the Joint Committee on Finance by July 1, 1992 for obtaining federal funding for the program.

I am vetoing these provisions because the Family Preservation Program appears to be duplicative in that it would provide services that are similar to the Family Based Services that are funded by Community Aids. In addition, it should be financially advantageous for counties to initiate family preservation programs, since providing supportive family services will frequently be less costly than out-of-home placement and counties can adopt family preservation practices without additional state funding. There are also proposals at the federal level to provide funding for Family Preservation programs. It seems prudent to await federal action and to craft our state program in such a way as to meet whatever requirements the federal government may establish and thereby maximize state capture of federal dollars.

To reflect my veto of grants to counties, I am requesting the Department of Administration Secretary to place \$750,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93. To reflect my veto of administrative funds for DHSS, I am also requesting the Department of Administration Secretary to place \$100,000 GPR in fiscal year 1991-92 and \$150,000 GPR in fiscal year 1992-93 in unallotted reserve in appropriation s. 20.435 (6) (a) to lapse to the general fund.

64. Start Smart Initiative
Section 1336r

This provision requires the Department of Health and Social Services to allocate \$50,000 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 to Milwaukee County and \$25,000 GPR in each of these fiscal years to Dane County to build community-wide concerns for the needs of families and children, stimulate the development of resources and expansion of services for families that need early childhood programming and develop coordination and cooperation among schools, communities and businesses in support of the needs of children and families.

I am vetoing this provision because, during a period of fiscal constraint, my priority is to fund programs that have a statewide, rather than limited, geographic impact. Given the proposed level of funding, Milwaukee and Dane Counties could fund this initiative if it is a high priority to them. With this veto, I am requesting the Department of Administration Secretary to place \$75,000 GPR in fiscal year 1991-92 in unallotted reserve

in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93.

65. Minority Long-Term Care Outreach Program

Sections 503b [as it relates to the Minority Long-term Care Outreach Program] and 9125 (21t)

These provisions require the Department of Health and Social Services to allocate \$150,000 GPR beginning January 1, 1993, as grants to county aging units in counties in which at least 1% of the population is minority individuals aged 60 or older, for outreach services to enable the individuals to qualify for and receive public benefits and enroll in publicly funded programs. I am vetoing these provisions because, during a period of fiscal constraint, my priority is to fund programs that have a statewide, rather than limited geographic, impact. In addition, the second year funding for this appropriation is being vetoed in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93.

66. Sexual Assault and Abuse Treatment

Sections 503b [as it relates to Sexual Assault and Abuse Treatment], 1336b and 9125 (4j)

Section 1336b allocates \$50,000 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 as a grant to the Family Service Association of Brown County, Inc., to support a child abuse prevention specialist and to provide preschool prevention programming regarding physical and sexual abuse. Section 9125 (4j) allocates \$25,000 GPR in each fiscal year to ASTOP, Inc., for a demonstration project to provide treatment for sexual assault and abuse in Fond du Lac, Green Lake and Dodge counties.

I am vetoing sections 1336b and 9125 (4j) and partially vetoing section 503b because I believe that, during a period of financial constraint, it is not appropriate to fund local, private programs which could receive local support. In addition, there are no indications that these counties have unique problems with physical and sexual abuse that would necessitate special state funding. I am requesting the Department of Administration Secretary to place \$75,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for these programs when the appropriation level is set for fiscal year 1992-93.

67. Posttraumatic Stress Disorder Project

Sections 503b [as it relates to Posttraumatic Stress Disorder Project] and 9125 (4w)

These provisions allocate \$20,000 GPR in fiscal year 1991-92 to the Mental Health Association in Brown County, Inc. for education for mental health workers on awareness and treatment of posttraumatic stress disorder. I am vetoing section 9125 (4w) and partially vetoing section 503b because I believe that, during a period of fiscal constraint, it is not appropriate to fund local, private programs which could receive local support. In addition, there are no indications that Brown County has a unique problem with posttraumatic stress that would necessitate special state funding. With this veto, I am requesting the Department of Administration Secretary to place \$20,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund.

68. Housing Program for Elderly

Sections 503b [as it relates to Housing Program for Elderly] and 9125 (20e)

These provisions require the Department of Health and Social Services to allocate \$40,000 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 to Lutheran Social Services of Wisconsin and Upper Michigan, Inc. to expand a program in Marathon and Portage Counties that matches elderly persons who need help in maintaining their homes with individuals who live with them and provide maintenance services in exchange for reduced rent.

I am vetoing these provisions because, during a period of fiscal constraint, I feel it is not appropriate to fund the expansion of private, local programs which could receive local support. In addition, there are no indications that Marathon and Portage Counties have unique problems for the elderly in maintaining their homes that would necessitate special state funding.

With this veto, I am requesting the Department of Administration Secretary to place \$40,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

69. Adoption Services Pilot Program and Foster Caseworkers for Milwaukee County

Sections 1336f and 1336y

Section 1336f requires the Department of Health and Social Services (DHSS) to allocate \$200,000 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 to Milwaukee County to provide staff and services for an Adoption Assistance Pilot Program. Section 1336y requires DHSS to allocate \$144,400 GPR in fiscal year

1991-92 and \$437,500 GPR in fiscal year 1992-93 to Milwaukee County for the purpose of hiring additional foster care caseworkers and additional support and supervisory staff.

I am vetoing these provisions because it is not the state's responsibility to directly fund local staff for social services programs. While I recognize that Milwaukee County does have problems with adoption services, the county performs its own adoption services and can apply for federal discretionary funds to provide for these adoption services. In addition, it is inappropriate for the state to specially fund foster care caseworkers in Milwaukee County when other counties may have similar problems.

With this veto, I am requesting the Department of Administration Secretary to place \$344,400 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

70. Domestic and Elder Abuse Training
Section 1330m

This provision allocates \$70,000 GPR in each fiscal year to provide grants of \$35,000 each to two hospitals, one rural and one urban, to provide training to nurses and emergency room physicians to identify symptoms of domestic abuse and elder abuse. The hospitals are required to coordinate training programs with domestic abuse shelters and nursing homes.

I am vetoing this provision because, during a period of fiscal constraint, I feel that it is not appropriate to fund new private, local programs which could receive local support. Furthermore, to the degree that problems of identifying symptoms of elder and domestic abuse exist, it would be more appropriate for hospitals and nursing homes to address these issues in their regular inservice employee training.

With this veto, I am requesting the Department of Administration Secretary to place \$70,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

71. Halfway House
Sections 503b [as it relates to Halfway House] and 9125 (12c)

These provisions require allocation by the Department of Health and Social Services of \$50,000 GPR in fiscal year

1991-92 as a grant to Friends of Women in Recovery, Inc. for the purchase of a home to provide care, shelter and treatment for women with problems of alcohol and other drug abuse and for their children. However meritorious individual programs may be, it is more appropriate for local governments to set local funding priorities than for the Legislature and Governor to try to determine which local programs are more deserving of support and best meet local needs. I am, therefore, vetoing these provisions because I believe that, during a period of fiscal constraint, it is not appropriate to fund local, private programs which could receive local support. With this veto, I am requesting the Department of Administration Secretary to place \$50,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund.

72. Alcohol and Other Drug Abuse Program for Women
Section 1336am

This provision allocates \$35,000 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 to the ARC Community Services Center for Women and Children in Dane County to address a projected operating deficit and to fund transportation and meal expenses. I am vetoing this provision because, during a period of fiscal constraint, I feel it is not appropriate to fund local, private programs which could receive local support. In addition, 1989 Wisconsin Act 31 provided one-time funding to ARC for its anticipated operating deficit, and funding motivated by one-time considerations should not be continued as permanent expenditures.

With this veto, I am requesting the Department of Administration Secretary to place \$35,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

73. Runaway Services Program
Sections 216 [as it relates to s. 20.435 (7) (ew)], 529, 1273 and 9125 (4t)

These provisions require the Department of Health and Social Services (DHSS) to allocate \$100,000 GPR in each of fiscal year 1991-92 and fiscal year 1992-93 to maintain runaway services programs that provide crisis and intervention services to runaway and homeless children and their families and require DHSS to submit to the Joint Committee on Finance by February 1, 1992 a report evaluating the program with recommendations regarding continued funding and sources of funding. I am vetoing the funding provisions because, during a period of fiscal constraint, I believe it is not appropriate to supplement federally funded programs with state funds. I am also vetoing the evaluation requirement

because it is unnecessary given the termination of the program.

74. Programs for Homeless Individuals with Alcohol and Other Drug Abuse Problems
Sections 1334b, 1335b and 3703m

Section 1334b requires the Department of Health and Social Services (DHSS) to allocate \$90,000 GPR in fiscal year 1991-92 and \$30,000 GPR in fiscal year 1992-93 to organizations in Milwaukee to provide protective payment services to homeless individuals with alcohol and other drug abuse (AODA) problems. Section 1335b requires DHSS to allocate \$210,000 GPR in fiscal year 1991-92 and \$120,000 GPR in fiscal year 1992-93 to provide counseling or protective payment services at shelters for homeless individuals with AODA problems. Section 3703m requires DHSS to submit to the Joint Committee on Finance by February 1, 1992 a report evaluating these two programs with recommendations regarding continued funding and sources of funding.

I am vetoing the allocations for these programs because these services are more properly funded through the regular programs of county departments of developmental disabilities services or county departments of community programs supported by Community Aids. Moreover, delivering these services in this manner creates greater continuity in the management of clients as they move out of homeless shelters. I am vetoing the request for an evaluation since it is unnecessary, given the termination of these programs.

With this veto, I am requesting the Department of Administration Secretary to place \$300,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for these programs when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

75. Foster Care Supplement Payments
Section 1329r

This provision requires allocation of \$643,900 GPR in fiscal year 1991-92 and \$861,600 GPR in fiscal year 1992-93 to supplement foster care payments by \$200 a month under the Aid to Families with Dependent Children program for children born with medical problems caused by the mother's ingestion of controlled substances during pregnancy. I am vetoing this provision because children in foster care can be currently eligible for special needs supplemental foster care payments that address the specific costs for providing necessary services for such children. The need for special payments above these supplemental payments has not been demonstrated.

With this veto, I am requesting the Department of Administration Secretary to place \$643,900 GPR in fiscal

year 1991-92 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

76. AIDS Prevention Training for Alcohol and Drug Abuse Workers
Sections 2625m and 9125 (7b)

These provisions allocate \$9,000 GPR and \$16,000 PR-F in fiscal year 1991-92 for training for persons providing alcohol and other drug abuse (AODA) services and counseling to persons who are at risk of contracting Acquired Immunodeficiency Syndrome (AIDS). These provisions require the Department of Health and Social Services (DHSS) to submit a report to the Joint Committee on Finance by February 1, 1992, on the program's effectiveness, with recommendations about continued funding and funding sources. I am vetoing these provisions because, to the extent that AODA counselors need special training with respect to AIDS and the virus that causes AIDS, the training can more appropriately be done by agencies in their regular inservice employe training. To the degree that DHSS regards as appropriate to assist employers in providing such training, the department should do so from its base resources. With this veto, I am requesting the Department of Administration Secretary to place \$9,000 GPR in fiscal year 1991-92 in unallotted reserve in appropriation s. 20.435 (6) (a) to lapse to the general fund.

77. Community Support Grants
Sections 216 [as it relates to s. 20.435 (7) (bh)] and 9125 (5n)

These provisions authorize \$150,000 GPR in fiscal year 1991-92 to fund grants to counties to assist them in obtaining initial Medical Assistance certification for the Community Support Program and require the Department of Health and Social Services to submit to the Joint Committee on Finance by February 1, 1992, a report evaluating the program with recommendations regarding continued funding and sources of funding. I am vetoing these provisions because the grants were meant for initial upgrading activities for certification, not for ongoing support. I am also vetoing the evaluation since it is unnecessary given the termination of the program.

78. Community Support Program Requirement
Section 1511L

This provision requires counties to use their federal Medical Assistance (MA) reimbursement for expansion of services for the Community Support Program, which assists chronically mentally ill individuals to remain in the community, and provides that counties cannot use

the federal funds to supplant or replace county, state or federal funding for the program.

I vetoed this provision when it was added to 1991 Wisconsin Act 22, and I am vetoing it again for the same reasons. This provision is effectively a state mandate that limits counties' flexibility in determining the use of county funds. While it is desirable to expand services, the decision should be left to the counties. There may be other priority needs that could be served, including reducing property taxes, with the amount of county funds that are "freed up" by federal dollars.

79. Care Management Services for the Community Options Program
Section 9125 (5r)

This provision requires the Department of Health and Social Services (DHSS) to consider as a factor, in allocating funds to counties for the Community Options Program (COP), the costs that are incurred by counties to improve care management services. I am vetoing this provision because counties currently receive allocations for COP assessments and case plans and I believe it is the county's responsibility to ensure that clients in the program receive proper care management services within such funding. Other provisions in this budget bill direct DHSS to establish minimum requirements for care management services. I strongly support these provisions because it is important that clients receive uniform minimum care management services under COP throughout the state. While some may interpret this as a mandate, it is appropriate since counties already receive COP funding for this purpose and the state standards will merely provide for useful uniformity and accountability.

80. Community Options Program Funding
Section 9125 (21g)

This provision requires the Department of Health and Social Services (DHSS) to allocate special funding for the Community Options Program (COP) to counties that have high populations of individuals with Acquired Immunodeficiency Syndrome (AIDS) or the virus that causes AIDS for services to at least 50 persons in those counties. I am vetoing this provision because it is not appropriate to allocate special COP placements for specific physical conditions. DHSS' allocation formula currently adjusts the number of slots allotted to each county for the number of individuals receiving long-term care.

81. Interagency Coordinating Council
Sections 77d, 87mb, 1602r and 9125 (14fn)

These provisions create an Interagency Coordinating Council (ICC) in the Department of Health and Social Services (DHSS) to advise DHSS with respect to the Early Intervention Services program and specify the member composition of the ICC. I am vetoing these provisions because the state's existing Interagency Coordinating Council, created by executive order,

currently meets all federal requirements. In addition, I want to give the council and DHSS the flexibility to adjust the number of council members and the types of program expertise among members as the program expands and in the event federal statutes or regulations are changed.

82. Council on Alcohol and Other Drug Abuse Treatment
Sections 88p, 1598t and 9125 (19t)

These provisions create a Council on Alcohol and Other Drug Abuse Treatment in the Department of Health and Social Services, specify the member composition from Milwaukee County and direct the council to review and evaluate the outcomes of alcohol and other drug abuse (AODA) treatment programs for which funds are allocated to Milwaukee County. I am vetoing these provisions because it is inappropriate to create a state council to evaluate programs in one specific locality. The state already has a Citizens' Council on AODA and a State Council on AODA. If special AODA treatment problems exist in Milwaukee County, the county should be evaluating the programs. In addition, if there is sufficient concern at the state level to justify a special evaluation of Milwaukee County programs, this should be done through existing state agency or legislative service bureau processes rather than through the creation of a permanent statutory council.

83. Underage Drinkers
Section 2487m

This provision allows a court to stay the execution order of the penalty for 18- to 20-year-old underage drinkers if the individual agrees to submit to an alcohol abuse assessment and to participate in a treatment program if the assessment recommends treatment or to participate in an alcohol abuse education program. Upon verified completion of a treatment or education program, the court may reinstate the individual's driver's license. I am vetoing this section because changes in the underage drinking laws are not appropriate for a budget bill. This issue should be addressed in separate legislation with public hearings before the appropriate committees. In addition, some of the issues raised in this provision may more appropriately be addressed by the state's OWI and OAR Repeat Offender Task Force.

84. Permanency Planning
Sections 1418p, 1418q, 1418r, 1418s, 1420g, 1420m and 9325 (7p)

These provisions modify current law to require the court to notify the foster parent or operator of the facility where the child is living when a hearing is to be held to review a dispositional order for a child living in an out-of-home placement under a permanency plan. The foster parent or operator of a facility would be allowed to appear at the hearing, present relevant evidence, including expert testimony, and make alternative recommendations. I am vetoing these provisions because changes in laws affecting permanency planning for out-

of-home placement of children are not appropriate for a budget bill. The role of foster parents and operators of facilities where children live under permanency planning is very controversial and should be addressed in separate legislation with public hearings before the appropriate committees to ensure that state out-of-home placement policies are in the best interest of children.

85. Out-of-Home Placement Fees and Parental Liability for Out-of-Home Placement of Children
Sections 1228d, 1232c, 1418m, 1418n, and 9125 (2y), (2z) and (20x)

These provisions prohibit the Department of Health and Social Services (DHSS) from considering the income and assets of a stepparent who has not adopted a minor in determining the ability to pay of the minor's parent and allow a court to review out-of-home placement fees to ascertain whether the payments are causing a hardship for the person liable for the payment and whether the fees are interfering with the most appropriate and least restrictive permanent placement of the child. DHSS is required to complete an evaluation of all methods for setting fees for out-of-home placement of children and to develop a plan, based on the evaluation, for setting fees. DHSS is also required to study the costs that counties incur due to out-of-home placement of children.

I am vetoing these provisions because changes in the parental liability for out-of-home placement of children and the costs associated with the placements are not appropriate for a budget bill. These issues should be addressed in separate legislation with public hearings before the appropriate committees. I am also vetoing the studies required of DHSS because there is no indication that problems exist in the out-of-home placement fee structure or the cost to counties for out-of-home placement of children that would warrant the large undertaking that these studies would require of DHSS and the counties. In addition, DHSS' evaluation resources are not limitless, and DHSS should typically be allowed to set its own research agenda unless the severity and immediacy of a problem make a study mandate appropriate.

86. Study of Elderly Parents and Developmentally Disabled Individuals
Section 9125 (19w)

This provision requires the Council on Developmental Disabilities (CDD) and the Department of Health and Social Service's (DHSS) subunit on aging to study the problems of elderly parents of developmentally disabled adult children and of elderly developmentally disabled individuals and to develop a proposed pilot program of services to address these problems. The CDD and the DHSS subunit on aging are to submit the report on the study and the proposed pilot program to the DHSS Secretary and the appropriate standing committees of the Legislature by September 1, 1992. I am vetoing this provision because DHSS has the authority to work with the CDD to develop strategies for serving these individuals. I do not believe that they should be

constrained by any requirement to develop a pilot program for this subpopulation of families with developmentally disabled children if those families can better be served through the state's current programs.

87. Foster Care and Adoption Assistance Studies
Section 9125 (8g) and (16f)

Section 9125 (8g) requires the Department of Health and Social Services (DHSS) to submit to the Joint Committee on Finance by July 1, 1992, a study on the adequacy of the levels of adoption assistance payments made to parents of adopted children. The study is to include recommendations by DHSS regarding any changes in the levels of payments. Section 9125 (16f) requires DHSS to conduct a study of the number of children in foster care per foster care worker in each county of the state to determine which counties, if any, require additional funding to bring the foster care case load per worker to a standard of not less than 20 nor more than 30. The results of the study are to be submitted to the appropriate standing committees of the Legislature by October 31, 1991.

I am vetoing these provisions because there is no indication that problems exist in the levels of adoption assistance payments or foster care case loads that would warrant the large undertaking that these studies would require of DHSS and the counties. In addition, DHSS' evaluation resources are not limitless, and DHSS should typically be allowed to set its own research agenda unless the severity and immediacy of a problem make a study mandate appropriate.

88. Audit of Milwaukee County Adoption and Foster Care Programs
Section 9136 (2r)

This provision requests the Legislative Audit Bureau (LAB) to conduct a performance evaluation audit of the adoption and foster care programs in Milwaukee County and to submit a report summarizing the results of the audit by July 1, 1992. I am vetoing this provision because it is not necessary to include requests for LAB audits in the budget bill since the Legislature has established procedures for requesting audits through the Joint Legislative Audit Committee.

89. Residential Treatment Facility for Delinquent Girls
Section 9125 (18j)

This provision requires the Department of Health and Social Services (DHSS) to move delinquent girls, currently housed at the Lincoln Hills School, to a separate, secure correctional facility. A number of deadlines, such as the date when the girls should be moved, and a number of specific programmatic references, such as the number of girls to be moved, are included. It also provides \$250,000 GPR in fiscal year 1992-93 in the Joint Committee on Finance's (JCF) supplemental appropriation to cover start-up costs.

While I am approving this proposal in concept, I am partially vetoing several provisions regarding timelines and specific requirements that severely limit DHSS' flexibility to develop the best proposal that it can. First, I am vetoing three deadlines because I believe they are unrealistic. One requires DHSS to submit a request-for-proposal to JCF by October 15 of this year. As partially vetoed, DHSS will submit the report by the end of 1991. I am also vetoing the deadlines for DHSS to submit to JCF by January 21, 1992 a detailed cost report on the relocation and to relocate all girls by July 1, 1993.

Second, I am vetoing references to the specific numbers of girls to be moved, since the actual population to be moved cannot be accurately projected at this time. Finally, I am vetoing programmatic requirements including the establishment of two short-term intensive treatment cottages with a capacity of 40 boys because the determination of programming needs and the distribution of the population within the school are more appropriately the responsibility of the correctional institution and should not be legislatively mandated.

90. Juvenile Restitution Program

Sections 216 [as it relates to s. 20.435 (3) (cs)], 464d and 1281m

These provisions establish a Juvenile Restitution and Community Work Projects program with funding of \$300,000 GPR each fiscal year. I am vetoing these provisions because they are inappropriate during a time of fiscal constraint and because special state funding is unnecessary, even though such programs are praiseworthy and may aid in the rehabilitation of delinquent youth. Counties are currently able to establish such programs using Youth Aids funding, and elsewhere in this bill I have approved the full increase provided by the Legislature for Youth Aids for the 1991-93 biennium.

91. Treatment Alternative Program

Section 1330 [as it relates to a grant to Milwaukee County]

This provision allocates \$250,000 GPR in each fiscal year to Milwaukee County to establish a Treatment Alternative Program (TAP) under which youths who have been convicted of nonviolent crimes and who have substance abuse problems can receive alcohol or other drug abuse services in lieu of imprisonment.

I am partially vetoing this section because I believe the effectiveness of the existing TAP pilots in Dane, Rock and Eau Claire Counties should be evaluated before additional funding is allocated for these services. As a result, I am requesting the Department of Administration Secretary to place \$250,000 GPR in fiscal year 1991-92 into unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this program when the appropriation level

is set for fiscal year 1992-93 in subsequent budget legislation.

92. Juvenile Classification Study

Section 9125 (20w)

This provision requires the Department of Health and Social Services (DHSS) to study adjudicated delinquents and recommend to the Legislature, by January 1, 1992, the types of juveniles that are appropriate for placement in a secure correctional facility. In effect, this study results in a classification system, similar to that used for adult offenders, to be used by judges as a guideline in determining which juveniles are appropriate for placement in a secure correctional facility. While such a system might be useful, I am vetoing this provision requiring development of such a system because DHSS should typically be allowed to set its own research agenda unless the severity and immediacy of a problem make a study mandate appropriate.

93. Adult Education

Section 1595v

This provision requires the Department of Health and Social Services (DHSS) to provide educational services by a licensed teacher for any Center for the Developmentally Disabled resident over 21 years of age if an interdisciplinary team has determined the educational services are appropriate for the individual. I am vetoing this provision because appropriate programs for treatment and education are in place at the centers to meet the needs of center residents and no additional funds have been provided to fund this requirement. This provision would also prohibit the use of qualified vocational education teachers on staff or under contract through a Vocational, Technical and Adult Education district in the adult education programs, which I find objectionable.

94. Community-Based Demonstration Grants

Section 1376

The provisions under this section establish a program for communitybased demonstration grants to be awarded by the Adolescent Pregnancy Prevention and Pregnancy Services Board to help prevent adolescent pregnancies. Because of my concern over the very serious problem of teen pregnancies in Wisconsin, I proposed this program with funding of \$132,000 GPR in fiscal year 1991-92 and \$264,000 GPR in fiscal year 1992-93 for communities to develop local projects to help reduce the number of teenage pregnancies. However, I am partially vetoing this section for two purposes.

First, I am vetoing the language which requires all grant recipients to provide or refer for contraceptives and related counseling because I believe that legislatively mandating such a service limits the board's flexibility in awarding grants. Decisions regarding contraceptive provision should be left up to local communities, for they are best able to determine the needs of their families and children.

Second, I am vetoing the language requiring that the communities' human growth and development advisory committees, established with respect to the Department of Public Instruction's Human Growth and Development program, be used as the advisory body for the demonstration grant. These committees were established for different purposes than overseeing such demonstration programs. In addition, the mandated use of this community committee could limit the flexibility and usurp the authority of the responsible board of a service-provision agency that receives a grant.

95. Early Childhood Family Education Centers
Sections 216 [as it relates to 20.433 (1) (b)], 436b, 1434d and 9109

These provisions authorize \$450,000 GPR in each fiscal year for grants to organizations for six new early childhood family education centers and require the Child Abuse and Neglect Prevention Board (CANPB) to allocate \$59,200 GPR in each fiscal year for a grant to an organization located in the northern part of the state and allocate \$300,000 PR-O in each fiscal year in grants to organizations located in Wausau, La Crosse, Manitowoc and Prairie du Chien that received grants in fiscal year 1990-91.

I am vetoing the funding for the six new centers because, during a period of fiscal constraint, my priority is to fund programs that have a statewide, rather than limited geographic, impact. In addition, the early childhood family education center program has been fully operational for less than a year. While initial results indicate the concept of such centers is promising, it would be inappropriate to expand the program until a full evaluation has been completed. I am also vetoing the special earmarking of funds because I want the CANPB to have the flexibility to award grants to areas that have demonstrated the highest level of need under the competitive grant process.

96. Mother-Young Child Program
Sections 216 [as it relates to s. 20.410 (1) (cw)] and 3128i

These provisions create a program allowing pregnant female inmates or female inmates with children to retain physical custody of their children under the age of six years in the least restrictive placement consistent with public safety. The Department of Corrections (DOC) would be required to provide a stable and safe environment and health care services for participants and to contract under the request for proposal (RFP) process with a private nonprofit vendor to administer the program.

I am vetoing in part section 3128i to limit eligibility for this program to pregnant inmates or female inmates with children under one year of age and to remove the requirement that the DOC provide health care services to the participants and use the RFP process to obtain a vendor. I am also vetoing \$63,000 GPR from s. 410 (1)

(cw) for this program in fiscal year 1991-92. I am vetoing these provisions because I wish to give DOC more flexibility in selecting a vendor under approved procurement procedures, reduce the cost and limit the liability to the state for this program.

97. Involuntary Challenge Incarceration for Intensive Sanctions Clients
Section 3131q

This provision requires that offenders entering the challenge incarceration component of the Intensive Sanctions Program (ISP) do so voluntarily.

I am partially vetoing this provision because the Department of Corrections (DOC) needs the authority to require involuntary participation in this component of the program if DOC feels it is necessary for a client to succeed in the intensive sanctions program. This veto will give DOC more discretion and flexibility in placing clients in the most appropriate environment to achieve punishment and rehabilitation. Under this veto the challenge incarceration component would be involuntary, as are all other components of ISP.

98. Limit of 500 Slots for Community Residential Confinement
Section 3128dg

This provision limits the total size of the Community Residential Confinement (CRC) program to 500 prisoners at a time.

I am vetoing this provision because the Department of Corrections (DOC) intends to have 500 prisoners in this program by the end of this biennium and to increase the number of prisoners by 100 for each of the following five years. This language would unnecessarily require statutory changes each biennium and could artificially limit the flexibility of DOC to provide the most economical and appropriate punishment and rehabilitation for prisoners within available resources.

99. Milwaukee and Oshkosh Correctional Officer Preservice Training
Sections 3130i and 9112 (2c)

These provisions direct the Department of Corrections to provide correctional officer preservice training in Milwaukee County as well as in the city of Oshkosh and designate \$50,000 PR-O in fiscal year 1991-92 and fiscal year 1992-93 from appropriation s. 20.410 (1) (jp) to be expended only in Milwaukee County.

I am vetoing these provisions because the funding provided is insufficient for an efficient and economical preservice training program in Milwaukee. This language would also require costly duplication of facilities, staff and equipment to operate preservice training programs in two locations. As a result of this veto, the \$50,000 PR-O in each year would be available for correctional officer preservice training at Oshkosh.

100. Study of County Jail Security Classification
Section 9112 (1s)

This provision requires the Department of Corrections to study the security classification of county jail cell space and inmate populations and report the results to the Legislature by July 1, 1992. The appropriation under s. 20.410 (1) (b) provides \$25,000 GPR for the study.

I am vetoing this provision because the funding provided is insufficient to complete the study and maintain an updated status of jail cell space and inmate population for planning purposes. The funding requirements for an adequate monitoring system are estimated to be \$1.1 million for development and between \$1 million and \$1.3 million annually in state and local operating costs. With this veto, I am requesting the Department of Administration Secretary to place \$25,000 in unallotted reserve in fiscal year 1991-92 in appropriation s. 20.410 (1) (b) to lapse to the general fund.

101. Parole Commission
Section 52x, 53 and 85t

Section 85t increases the Parole Commission from five to six members. Additionally, the Legislature increased the appropriation under s. 20.410 (2) (a) by \$72,400 GPR in fiscal year 1991-92 and \$112,700 GPR in fiscal year 1992-93 and 3.0 GPR FTE positions in each year of the biennium.

I am vetoing section 85t and related provisions to control the cost of operating the Parole Commission and to improve the efficiency and productivity of the parole hearing process. I am requesting the Department of Administration Secretary to place \$72,400 GPR in fiscal year 1991-92 and \$112,700 GPR in fiscal year 1992-93 in unallotted reserve in s. 20.410 (2) (a) to lapse to the general fund. I object to the increase of 3.0 GPR FTE positions at this time because it unnecessarily expands the size of the Parole Commission.

102. Council on Educational Programs and Educational Spending
Sections 85x, 130m, 131m, 3126rc, 3127c, 3128d, 3128dc, 3128r, 9112 (2g) and (2h) and 9412 (2g) and (2j)

These provisions direct the Governor to appoint a Council on Educational Programs in the Department of Corrections (DOC) and direct DOC to plan and provide comprehensive educational programs and education spending plans in each state correctional institution. DOC is also required to submit reports on educational disbursements and educational services to the Governor and the Legislature.

I am vetoing these provisions because no additional funding is provided for the proposal and existing appropriations are insufficient to fund the Council and the planning and reporting requirements. It is also worth noting that, in other changes to the budget, the Legislature has caused funding deficiencies for several of

DOC's vocational programs for inmates. DOC already provides for oversight review through an educational review committee which evaluates resources and programs to develop budget allocations and recommends an overall education plan.

103. Division of Intensive Sanctions
Sections 85s, 3128hv and 9112 (1i)

These provisions create a Division of Intensive Sanctions in the Department of Corrections to administer the Intensive Sanctions Program (ISP) and require a report on the program to the Joint Committee on Finance by January 1, 1992.

I am vetoing the creation of a statutory division and the required report to the Joint Committee on Finance because it is premature to permanently determine the organizational structure of the unit to administer ISP. I am directing the Department of Corrections Secretary to submit an organization plan, as provided by law, for the intensive supervision program utilizing \$680,400 GPR in fiscal year 1991-92 and \$781,700 GPR in fiscal year 1992-93 and 17.0 GPR FTE positions from appropriation s. 20.410 (1) (ai). I object to 8.5 of the 25.5 GPR FTE positions associated with these provisions and am requesting the Department of Administration Secretary to place \$246,900 GPR in fiscal year 1991-92 and \$287,300 GPR in fiscal year 1992-93 in unallotted reserve in appropriation s. 20.410 (1) (ai) to lapse to the general fund.

104. Sheboygan County Sex Offender Program
Section 216 [as it relates to s. 20.410 (1) (d)]

In its budget deliberations, the Joint Committee on Finance (JCF) transferred \$90,000 GPR from s. 20.410 (1) (b) to s. 20.410 (1) (d) in each year of the 1991-93 biennium and also increased funding by \$35,400 GPR in each year of the 1991-93 biennium in s. 20.410 (1) (d) for the purpose of purchasing services from the Sheboygan County interagency sex abuse treatment program. Although there is no language in the budget bill that authorizes this increase, an amendment, passed as part of Assembly Substitute Amendment 1 (JCF version), to provide this funding to the Department of Corrections' purchase of services appropriation for this purpose was included during legislative budget deliberations.

I object to continuing and increasing the funding for a program which was originally intended as a two-year pilot program to demonstrate to counties alternative ways of discharging their responsibilities for local treatment programs. Using limited taxpayer dollars for this purpose is inappropriate and excessive. By lining out the s. 20.410 (1) (d) appropriation and writing in smaller amounts that delete the \$250,800 for this purpose, I am vetoing the part of the bill which funds this program. I am also requesting the Department of Administration Secretary not to allot these funds.

105. Milwaukee Alcohol and Other Drug Abuse Institution
Sections 1237 [as it relates to s. 301.132], 3126tr, 3128hr, 3128sc, 3128sd, 3128v, 3129c, 3129d, 3130gm, 3131 [as it relates to s. 301.132], 3131qt, 3131r, 3131rg, 3131tr, 3132f, 3132g, 3136r, 3640n and 3640t

These provisions direct the Department of Corrections (DOC) to lease or construct and operate a 200-bed minimum security facility in the City of Milwaukee for treatment of prisoners with alcohol and other drug abuse (AODA) problems with sentences of not less than 18 nor more than 42 months and provide \$11,600,000 BR over the biennium for this purpose. These provisions permit the courts to sentence offenders directly to this facility and also prohibit DOC from transferring prisoners so sentenced before completing an assessment and evaluation.

I am vetoing section 3128sd to delete the AODA facility in Milwaukee but to retain the funding for AODA correctional beds under section 9108 (1) (b) 1. The AODA facility can still be placed in Milwaukee if the city provides a viable site by the end of calendar year 1991. I am vetoing this and the remaining provisions because they unnecessarily restrict the flexibility of DOC to consider other options for location and utilization of AODA facilities. I am also vetoing these provisions because they inappropriately allow the courts to make direct commitments to a specific institution. DOC has the professional staff and resources to make the most appropriate placement of offenders for AODA treatment after careful assessment and evaluation and consideration of the programs and resources available.

106. Part-Time Study Grant
Sections 1197d, 1197g, 1197j, 1200 and 1200m

These provisions change eligibility requirements for the Part-Time Study Grant program under the veterans trust fund. First, the language specifies that any veteran, regardless of the number or type of advanced degrees, may participate in the program. Second, the language creates an income limit for the program and defines income for program purposes.

I believe the extension of eligibility to all veterans with any type or number of advanced degrees goes beyond any reasonable purpose for this program which is, I believe, to help a veteran obtain a college degree as an aid to employability. Consequently, my original proposal was to limit participation to veterans without a bachelor's degree. Because legislative action removed all limits on the number and types of degrees attained, I am vetoing these provisions to return to current law under which only a veteran with less than a master's degree can participate.

The Legislature also imposed an income limit to restrict program participation, as is currently done for economic assistance loans, which I find acceptable. However, as

the language is written, the period for which income is to be counted is equated to the length of the course and this could be problematic. I believe the intent was to apply annual income limits similar to those used for economic assistance loans. As a result, I am vetoing the definition of income and requesting the Department of Veterans Affairs to consider whether the definition of annual income used to determine eligibility for the Economic Assistance Loan program is also appropriate for the Part-Time Study Grant program, particularly since the two programs now have identical income limits.

107. Homeless Veterans Reintegration
Sections 216 [as it relates to s. 20.485 (2) (rc)], 578g and 1202m

These provisions authorize \$75,000 SEG in each fiscal year for grants to Milwaukee and other areas of the state to provide long-term transitional housing for homeless veterans. I am vetoing these provisions, as I did in 1989 Wisconsin Act 31, because funding has been provided to the Division of Housing within the Department of Administration to assist the homeless. Starting a homeless program in another department runs directly counter to my proposal to consolidate a number of homeless programs into the Division of Housing within the Department of Administration.

108. Retired Senior Volunteer Program
Sections 216 [as it relates to s. 20.485 (2) (rs)], 578r and 1175m

These provisions establish a Retired Senior Volunteer program under which senior citizens can volunteer to assist homebound veterans living in the community. Under this program, \$15,900 SEG is authorized in each fiscal year for the Department of Veterans Affairs (DVA) to pay for meals and travel of the retired senior volunteer. While this is certainly a worthwhile activity, I am vetoing these provisions because I believe DVA should encourage donations in local communities to fund this activity or should work with the Department of Health and Social Services, which provides grants for the Retired Senior Volunteer program.

109. Veterans Benefits Information
Sections 1170j and 2665p

These provisions require the Department of Veterans Affairs (DVA) to develop a pamphlet that describes state and federal benefits available to veterans and to distribute the pamphlet to nursing homes, communitybased residential facilities and hospitals and provide \$12,300 SEG per year for this purpose. I am vetoing these provisions because, if the creation and distribution of this pamphlet is a priority, funding should be internally reallocated within DVA to support this service. I am therefore requesting the Department of Administration Secretary to place \$12,300 SEG in each fiscal year into unallotted reserve in appropriation s. 20.485 (2) (u) to lapse to the veterans trust fund.

110. Vietnam Veterans Health Care
Sections 1170t and 9358 (1g)

These provisions authorize the Department of Veterans Affairs to spend \$95,000 SEG annually for health care for Vietnam Veterans with Agent Orange-related diseases including non-Hodgkins lymphoma and soft-tissue sarcoma. I certainly support care for veterans affected by these diseases. However, I am vetoing these provisions because the federal government provides free medical care and also provides a disability payment for veterans with these health problems. As a result, it does not appear necessary to establish a duplicative state program. I am requesting the Department of Administration Secretary to place \$95,000 SEG annually into unallotted reserve in appropriation s. 20.485 (2) (vm) to lapse to the veterans trust fund.

111. Pilot Program Feasibility Study
Section 9125 (6g)

This provision requires the Department of Health and Social Services (DHSS) to study the feasibility of establishing a pilot program under which University of Wisconsin System students could conduct a directed study course to work with veterans living in the community who need care and services. This is a worthwhile activity, but I am vetoing the provision because I believe the Department of Veterans Affairs already has the authority to work with DHSS and the University of Wisconsin System to develop such a program. I further believe that DHSS should be permitted to set its own research agenda unless the severity or immediacy of the problem makes a study mandate appropriate.

112. Veterans Home Study
Section 9158 (5p)

This provision requires the Department of Veterans Affairs to conduct a study of the need for a second veterans home and the need for additional housing at the existing Home at King. I am vetoing this provision because this issue was studied extensively two years ago and resulted in the proposal for the new 200-bed nursing care building at the Home at King.

113. Board of Veterans Affairs
Sections 94d and 9358 (2x)

These provisions require the Board of Veterans Affairs to include, among its seven members, one minority veteran and one veteran who is visually identifiable as disabled. I am vetoing these provisions because the language needlessly restricts the appointment powers of the Governor. While I am sympathetic to the idea that underrepresented groups should be included in governmental decision-making, I believe that a Governor can accomplish that objective without being unduly restricted by statutory requirements in this manner.

114. Council on Veterans Programs
Sections 94h and 9158 (3w)

These provisions require the Council on Veterans Affairs to include in its membership representatives of the Wisconsin Vietnam Veterans, Inc., and the AFL-CIO Veterans Committee. While I am supportive of the many veterans groups, I am vetoing these provisions because a determination of which groups should be represented on the Council has traditionally been decided through standing committee hearings subject to public input and subsequent separate legislation. If these two groups are interested in being represented on the Council, they should use this legislative route.

115. Homeless Veterans' Eligibility
Sections 1168j and 1177

These provisions allow veterans in this state without a permanent address to be considered as residents for the purposes of eligibility for veterans' programs as long as they do not intend to leave the state at a definite time. I am naturally concerned about services to homeless individuals. However, because there are serious problems with this proposal, I am partially vetoing these provisions. First, when this proposal was introduced as a separate bill, a fiscal estimate suggested that the cost of such a change could approach \$1,000,000 SEG per year, yet no funding was appropriated in this bill. Second, the language creates a major inequity between veterans currently residing in this state and homeless veterans without a permanent address. For example, under current law, a veteran moving here from another state must reside in Wisconsin for five years to be eligible for a home loan and ten years to be eligible for other veterans' programs. It would be inequitable to other veterans who have not yet qualified for benefits because of these residency requirements to automatically allow homeless veterans immediate eligibility for programs when they move into Wisconsin.

E. Environmental and Commercial Resources

1. Unsewered Communities
Section 9142 (3h)

This provision requires the Department of Natural Resources (DNR) to provide loans under the Clean Water Fund (CWF) program to the unsewered communities identified in the provision at tier 1 interest rates if these communities qualify under program requirements and are on the funding list for fiscal year 1991-92 and fiscal year 1992-93. Under current law, an unsewered community receives a tier 2 interest rate, unless it qualifies for financial hardship assistance. Tier 1 interest rates are required by law to be lower than tier 2 interest rates.

I am vetoing section 9142 (3h) in its entirety to maintain current law because this provision compromises the environmental goals of the CWF program. Current law provides for a three-tiered interest rate system, with communities in need of facility improvements to

maintain compliance with or to meet new or changed discharge permit limits receiving tier 1 interest rates. The CWF program provides tier 2 rates for unsewered communities, nonpoint source pollution, and urban stormwater runoff. Tier 3 includes projects for permit violators and capital cost loans. Tier 1 projects receive the highest percentage of state subsidy because these projects protect the state's investment in facility improvements made under the grant programs that preceded the CWF program. Through the state funding provided under the earlier grant programs, 95% of municipal wastewater treatment facilities in the state were able to achieve compliance with state and federal discharge permits.

Providing tier 1 interest rates to selected unsewered communities is arbitrary and is not needed to make the program affordable to unsewered communities. The July 1991 CWF Unsewered Report prepared by the DNR indicates that the program is made affordable to unsewered communities through the financial hardship component of the program in those situations in which tier 2 interest rates are not affordable. The report states: "Our current experience with the hardship assistance program indicates that those unsewered municipalities with extremely high costs, in relation to community income and property value, will receive additional subsidy to decrease interest rates below tier 2 levels and, in many cases, provide grant funding." My veto will maintain the environmentally-based interest rate structure under current law.

2. Minority Business Development and Training Program
Section 2560m

This provision directs the Department of Natural Resources to make grants from the Clean Water Fund (CWF) to the Milwaukee Metropolitan Sewerage District (MMSD) equal to 80% of the planning, engineering and construction costs of CWF projects that are part of the district's minority business development and training program. Other provisions in the bill provide \$8.25 million in general obligation bonding for the program.

I am partially vetoing section 2560m to remove the requirement that grants be made in an amount equal to 80% of costs because I believe that 80% state cost share for CWF project costs is too high. I am requesting the MMSD to include a more reasonable cost share grant percentage in the implementation plan the executive director will be required to develop for the minority business development and training program in accordance with other provisions in this budget bill. In developing the cost share percentage, the district should take into account current state cost share for eligible CWF transition period projects within the statutory funding cap and the additional costs to the district for training and apprenticeships provided by the minority business development and training program. Under current law, MMSD receives loans from the CWF for

eligible transition period projects at a 2.5% interest rate. This loan rate is approximately equivalent to a 33% grant.

3. Transition Period Loan Limit
Sections 2560e and 2564c

These provisions increase the amount of transition period loans the Milwaukee Metropolitan Sewerage District (MMSD) may receive from \$230.9 million to \$379.2 million and raise the maximum amount of present value subsidy a municipality may receive from 35.2% to 47.9%. I am vetoing these provisions to maintain current law because I am concerned with the dramatic increases in construction costs of MMSD transition projects, as evidenced in a recent Legislative Audit Bureau report. As of December 1990, construction contracts have increased by \$205.9 million over original contract amounts, representing over 4,000 changes to the projects' construction contracts. Although some of these costs were due to unanticipated site conditions, it is not prudent to increase funding for MMSD transition projects at this time. My veto will reduce debt service costs by an estimated \$3,727,500 GPR in fiscal year 1992-93.

4. Pollution Discharge-Based Environmental Fee
Sections 2622d and 2622f

These provisions expand the pollution discharge-based environmental fee for industrial wastewater discharge permit holders from 35% of regulatory costs to 100% of all general purpose revenue (GPR) funded wastewater and water resources program costs and 50% of technical services program costs. The fee for air emission dischargers is also increased from 35% of GPR funded regulatory costs to 100%.

I am partially vetoing these provisions to expand the fee to include municipal discharge permit holders. The basic concept of the pollution discharged-based environmental fee is to assess fees to those entities that discharge air and water pollutants in the state. I believe my veto makes the fee assessment equitable by including municipal dischargers. My veto will require industrial and municipal dischargers to share in the costs of operating programs designed to minimize the impacts of air and wastewater discharged into the state's environment.

5. Landfills Near Airports
Section 2567vc

This section prohibits the Department of Natural Resources (DNR) from issuing a favorable determination of feasibility for a proposed solid waste disposal facility in a county with a population greater than 325,000 but less than 500,000 if the facility may provide food for or attract birds and the facility is within 10,000 feet of a jet runway or 5,000 feet of a runway used by other aircraft. A facility within five miles of an airport runway would also be prohibited unless it would not increase the likelihood of a damage-causing bird and aircraft collision. The prohibitions would not apply to a

facility that is subject to a contested case hearing as of the effective date of the budget act.

I am vetoing this section to maintain current law because to single out one county, in this case Dane County, for tougher siting requirements sets a negative precedent as it relates to the solid waste facility siting process. Both the DNR and the Federal Aviation Administration currently have authority to address safety questions in the siting process. Further, since the definition of "airport runway" could include small grass landing strips, the effect of this section could be to prohibit the siting of any new facilities in Dane County.

6. Landfill Monitoring Grant
Sections 348 and 9142 (2w)

These provisions require the Department of Natural Resources to provide a grant from the waste management fund of up to \$15,000 to a local unit of government which owns a landfill licensed between May 21, 1975 and May 21, 1978 for certain landfill monitoring activities. I am vetoing the requirement that revenue from the waste management fund be used to make the landfill monitoring grant because there are limited moneys in the fund. Revenues generated for the waste management fund since its inception have been insufficient to meet the primary intent of the fund, which was to allow the state to assume long-term care responsibilities at approved landfills after the period of owner responsibility. As a result, other provisions contained in this budget bill modify the waste management fund by eliminating tonnage fees and limit use of revenues in the fund to certain corrective action, closure and long-term care activities at approved landfills. These are the activities for which the fund should be used.

7. Recycled Content Requirements for Newspapers
Sections 2697e, 2697f and 2697g

These provisions modify existing target recycled newsprint content requirements for newspapers. Under current law, the requirements are 10% in 1992, 25% in 1994, and 45% in 2001 and thereafter. The budget provisions: add targets of 25% in 1993, 35% in 1995 and 1996, and 40% in 1997 and 1998; accelerate the 45% target so that it is in effect in 1999 and 2000; and increase the target to 50% in 2001 and thereafter.

I am vetoing sections 2697e and 2697g and partially vetoing section 2697f to remove recycled newsprint target requirements for 1993, 1995, 1997 and 1999 and to remove the increase in the target for 2001 and thereafter because these targets are not reasonable. The effect of my veto is to set targets of 25% in 1994, 35% in 1996, 40% in 1998, and 45% in 2000 and thereafter.

The standards established by my veto are tough and provide for more workable incremental targets while maintaining the current law goal of 45% recycled newsprint content for the state's newspapers. Given that nearly half of all newsprint is already being recycled or

used for other purposes, the ability of newspapers to achieve the 50% goal is doubtful. It is also poor public policy to set guidelines as we did in 1989 Wisconsin Act 335, and then change those guidelines in an arbitrary manner such as this.

8. Yard Waste
Section 2696rk

This section makes yard waste costs eligible for financial assistance beginning in 1993 under the municipal and county recycling grant program. I am partially vetoing section 2696rk to make yard waste costs grant eligible beginning in 1992 because state funding is needed in 1992 to assist local governments in complying with the 1993 ban on yard waste from landfills. Since yard waste costs are eligible for state funding in 1991, my veto will provide continuity in state funding for this purpose.

9. Composting Pilot Project
Sections 373mm and 9142 (12i)

These provisions require the Department of Natural Resources to provide a waste reduction and recycling demonstration grant of \$416,000 SEG in fiscal year 1991-92 for a composting pilot project in Rusk County. I am vetoing these provisions because they circumvent the project selection process for the grant program. The program provides demonstration grants for innovative projects which reduce the amount of postconsumer waste generated, improve the collection or processing of postconsumer waste, or develop or expand markets for materials separated from postconsumer waste. It is important for projects to meet these criteria because of the need for responsible units to develop and implement effective recycling programs to comply with the mandatory recycling requirements contained in 1989 Wisconsin Act 335, the statewide mandatory recycling law. The Rusk County composting pilot project should be subject to the same project review process as other potential grant recipients to ensure that grant moneys are spent effectively.

10. Recycling Administration
Section 216 [as it relates to s. 20.370 (2) (hq), (4) (iw) and (8) (iw)]

These provisions provide \$105,800 SEG in fiscal year 1991-92 and \$120,800 SEG in fiscal year 1992-93 and 2.75 SEG positions for responsibilities of the Department of Natural Resources (DNR) under the mandatory statewide recycling law (1989 Wisconsin Act 335). The funding and positions would be used to provide technical assistance, grant management and review for the municipal and county recycling grant program, and to provide audits of municipal and county recycling grant awards. There is no language in the budget bill on these items, but the purpose of the funds and positions was included in a Joint Committee on Finance motion.

I object to the funding and the 2.75 positions added by the Legislature for DNR recycling activities over the

level provided in my budget recommendations because it is excessive. My budget recommendation of 5.0 positions for recycling activities is adequate for DNR to carry out its recycling responsibilities. By lining out the DNR's s. 20.370 (2) (hq), (4) (iw) and (8) (iw) appropriations and writing in smaller amounts that delete \$43,900 in fiscal year 1991-92 and \$55,000 in fiscal year 1992-93 from s. 20.370 (2) (hq), \$40,400 in fiscal year 1991-92 and \$44,300 in fiscal year 1992-93 from s. 20.370 (4) (iw), and \$21,500 in fiscal year 1991-92 and \$21,500 in fiscal year 1992-93 from s. 20.370 (8) (iw) for this purpose, I am vetoing the parts of the bill which provide funding and position authorization for these provisions. I am also requesting the Department of Administration Secretary not to allot these funds.

11. Environmental Repair Administration
Section 216 [as it relates to s. 20.370 (2) (mq)]

This provision provides \$143,500 SEG in fiscal year 1991-92 and \$177,700 SEG in fiscal year 1992-93 and 3.0 SEG positions for environmental clean up program administration. The positions would work on environmental response and repair program investigations and clean ups. Although there is no language in the budget bill on this item, an amendment to provide this funding to the Department of Natural Resources' (DNR) environmental fund general program operations appropriation for this purpose was included by the Senate during legislative budget deliberations.

I object to providing increased funding and position authorization for this program because the current funding and position authorization levels are adequate. To increase funding and position authorization for this purpose is excessive. By lining out the DNR's s. 20.370 (2) (mq) appropriation and writing in a smaller amount that deletes the \$143,500 SEG in fiscal year 1991-92 and \$177,700 SEG in fiscal year 1992-93 for this purpose, I am vetoing the part of the bill which provide funding and positions for this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

12. Nonpoint Source Program Plan Approval
Sections 2564mb [as it relates to plan approval exception] and 2564mc

These provisions repeal the requirement that Milwaukee County approve Nonpoint Source program priority watershed and priority lake plans. The county approval requirement would be retained for all other counties. I am vetoing section 2564mc and partially vetoing section 2564mb because they remove Milwaukee County from the plan approval process. Milwaukee County is currently reviewing two watershed plans affecting the county. It is essential for the county to retain approval authority for these watershed plans since much of the land along the rivers in the watersheds is owned by the county and the county will be significantly impacted by implementation of the watershed plans.

13. Nonpoint Source Program Project Designations
Sections 2564gfe, 2564gfm, 2564mg and 2564mng

These provisions designate the Pike and Rock rivers as priority watersheds and Little Muskego Lake, Big Muskego Lake, Lake Denoon, Linnie Lac and Wind Lake as priority lakes under the Nonpoint Source program.

I am vetoing these provisions because the designation of priority watersheds and priority lakes through the budget process circumvents the Nonpoint Source program's project selection process. By working with the Department of Natural Resources, the projects' eligibility and priority can be determined. These are the proper steps which should be taken for these projects.

14. Lincoln Creek Flood Control Project
Section 9142 (7p)

This provision designates the Lincoln Creek Flood Control project in the Milwaukee River watershed as the first priority for funding in the Nonpoint Source program in 1991-93. I am vetoing this provision because it circumvents the program's project selection process and earmarks funding for the Lincoln Creek project which may have been allocated to other priority watershed and priority lakes projects during 1991-93. These other projects have been determined, based on selection criteria, to have a high environmental need and are ready to proceed with implementation or are already in the process of being implemented. The Lincoln Creek project should be subject to the project selection process as are other projects in the Nonpoint Source program.

15. Hydrologic and Groundwater Study
Section 216 [as it relates to s. 20.370 (4) (da)]

This provision provides \$200,000 GPR in fiscal year 1991-92 for a grant to a regional planning commission to conduct a comprehensive regional hydrologic study which would include impacts of commercial and residential development. The grant would be provided to the Dane County Regional Planning Commission. Although there is no language in the budget bill that authorizes this increase, the purpose of the funds was included in a Joint Committee on Finance motion.

I object to increased funding for a hydrologic study by a regional planning commission. Regional planning commissions already receive adequate state funding for water quality related activities, which could include a hydrologic study. Using limited taxpayer dollars for this purpose is excessive. By lining out the Department of Natural Resources' s. 20.370 (4) (da) appropriation and writing in a smaller amount that deletes the \$200,000 in fiscal year 1991-92 for this purpose, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

16. Flambeau River Water Quality Study
Section 216 [as it relates to s. 20.370 (2) (ma) in fiscal year 1991-92]

This provision provides \$17,200 GPR in fiscal year 1991-92 and \$13,500 GPR in fiscal year 1992-93 for the Department of Natural Resources (DNR) to contract with an independent contractor for a study of water quality in the Flambeau River. Although there is no language in the budget bill on this item, an amendment to provide this funding to the DNR's general program operations appropriation for this purpose was included by the Senate during legislative budget deliberations.

I object to providing moneys for this purpose because it would duplicate planned monitoring of the Flambeau River. Using limited taxpayer dollars for this purpose is excessive. By lining out the DNR's s. 20.370 (2) (ma) appropriation and writing in a smaller amount that deletes the \$17,200 GPR in fiscal year 1991-92 for this purpose, I am vetoing the part of the bill which funds this provision in fiscal year 1991-92. I am requesting the Department of Administration Secretary not to allot these funds. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this provision when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

17. Phosphorus Effluent Limitations
Section 2695f

This provision requires the Department of Natural Resources to promulgate a rule establishing phosphorus effluent limitations and sets the effluent limitation at one milligram of phosphorus per liter of water. While I am retaining language requiring the establishment of a phosphorus effluent limit, I am vetoing the specific limitation contained in the budget bill because a specific limit for phosphorus should be set through the administrative rulemaking process. The rulemaking process will allow for the proper consideration of an appropriate limit with input by an advisory committee.

18. Surface Water Quality Improvement
Section 1689nu

This provision authorizes the Milwaukee Metropolitan Sewerage District (MMSD) to plan, design, construct and operate facilities to improve and maintain surface water quality within the district's service area to support the propagation of fish and wildlife. I am vetoing this provision to maintain current law because the new authority provided to MMSD is too broad. I am willing to consider legislation which identifies specific projects the district would implement to improve and maintain surface water quality.

19. Sanitary District Exemption
Section 1638m

This section repeals the current law provision that exempts a residential building served by a private sewage

system that meets the state plumbing code from mandatory inclusion in certain town sanitary districts, unless inclusion is requested by the property owner. I am vetoing this section to maintain current law because requiring all residences located within a town sanitary district to belong to the sanitary district is overly restrictive. I am willing to consider legislation which would generally require a property owner to belong to the town sanitary district but would provide for exemptions under certain circumstances.

20. Medical Waste Incinerators
Sections 1689h, 1689i, 2566p, 2609m, 2622ke and 9442 (3r)

These provisions create a new program to regulate the incineration of medical waste. Specifically, they: (a) grant municipalities authority to restrict hours of operation, routes and hours for transport of medical waste within the municipality; (b) create need and siting criteria for medical waste incinerators; (c) mandate a hospital medical waste reduction policy with specific reduction goals; (d) direct the Department of Natural Resources (DNR) to establish rules for the use of manifests to monitor the transport and disposal of medical waste; (e) require the continuous monitoring of emissions from medical waste incinerators and (f) increase the penalty for improper disposal of medical waste.

I support the legislative intent to assure that the medical waste incineration industry does not grow to present a threat to the health and safety of Wisconsin residents. At my direction, DNR has already established a Medical Waste Study Committee made up of representatives of industry, environmental groups, private citizens and legislators to develop a comprehensive proposal to address this issue. However, I find several of these budget provisions to be troublesome.

Municipalities already have authority to establish truck routes within their jurisdiction which makes this provision redundant. I am also concerned that the authority to regulate hours of operation, without adequate guidelines, could be abused in such a way as to make incinerator operation uneconomical. For these reasons, I am vetoing the provisions granting to municipalities the authority to regulate the hours of operations and routes and hours for transport of medical waste.

The need and siting issue addressed by these provisions is extremely complicated and should be addressed in a more thorough fashion than it has been. I am vetoing the provisions that create these requirements and requesting the Secretary of Natural Resources to direct the Medical Waste Study Committee to address this issue in depth.

A hospital medical waste reduction policy is consistent with our state recycling law, and one that I support. However, the state should not discourage medical care providers from disposing of waste in the safest manner possible. For this reason, I am vetoing the requirements

for specific statutory reductions in the amount of medical waste generated.

The effect of this veto will be to require every hospital to implement a policy for the reduction of medical waste according to rules promulgated by DNR.

The issue of a manifest system for medical waste is currently the subject of a two-year pilot project at the federal level. There is great uncertainty concerning the value of a manifest system, especially in relation to the burden it places on the medical care industry. I am vetoing the requirement that DNR establish rules for a manifest system so that the state can await the outcome of the federal pilot study and take action based on more complete information.

Air permits issued for medical waste incinerators currently contain requirements for continuous monitoring of certain elements. Assembly Bill 91 provisions regarding continuous monitoring are so vague that they could be interpreted to require additional monitoring for elements for which no continuous monitoring technology exists. I am vetoing the requirement for continuous monitoring because it is vague and merely serves to duplicate more specific DNR requirements already in place. The result of this veto will be to retain the existing monitoring program required by DNR of incinerator emissions.

Finally, I am vetoing the increase in the penalty for improper disposal of medical waste. I find this provision to be overly general and open to potential confusion as to what constitutes "solid waste treatment." The result of this veto will be to make improper disposal of medical waste subject to the same fines as most other violations of Chapter 144.

21. Gasoline Vapor Recovery Requirements

Sections 216 [as it relates to s. 20.370 (2) (bh)], 343m, 548, 2150m, 2566m, 2567b, 2567c and 2770mm

These provisions require the implementation of Stage II requirements for the recovery of vapors from gasoline dispensing equipment in southeastern Wisconsin by November 15, 1993. The provisions also require the Department of Transportation (DOT) to use only highway paint which complies with rules designed to minimize emissions of volatile organic compounds from highway paint. These provisions also create a grant program funded through a temporary increase in the oil inspection fee paid by wholesalers of petroleum products to assist retail gasoline station owners or operators in the installation of the equipment necessary to meet the Stage II vapor recovery requirements and to reimburse gasoline station owners statewide for the costs of tank excavation. Finally, these provisions appropriate \$147,000 PR-O and provide 3.0 FTE positions to the Department of Natural Resources (DNR) to implement the new requirements.

I support the implementation of Stage II vapor recovery systems in the ozone nonattainment areas of southeast Wisconsin. However, these additional requirements do not warrant an increase in state program staffing at this time. I am, therefore, vetoing the funding and positions identified for this purpose.

DOT has already converted its highway painting equipment in most southeast Wisconsin counties to apply reformulated paint with lower levels of volatile organic compounds. Remaining equipment will be converted as part of an ongoing DOT policy. For this reason, I am vetoing the provisions which mandate this conversion because they are unnecessary.

I also support the creation of a grant program to aid retail gasoline station owners or operators in meeting the costs of these new regulations. The grant program, however, contains a provision that would reimburse gasoline station owners or operators for excavation of storage tanks anywhere in the state for any purpose retroactive to January 1, 1990. I am vetoing this provision because it is overly broad and goes well beyond the scope of assisting gasoline station owners or operators impacted by the Stage II vapor recovery regulations. The effect of this veto is to remove the authority of the DNR to reimburse gasoline station owners or operators for any excavation costs.

22. Waste Flow Control

Section 2696n

This provision clarifies the ability of a municipality to amend an initial intent resolution or a comprehensive facility project description report prior to the adoption of a municipal waste flow control ordinance.

I support this flexibility in planning procedures for municipal waste facilities. However, this provision attempts to restrict the purposes for which amendments may be made and, significantly, does not permit increases in the area to be served, the size of the facility or the amount of waste to be processed. I am partially vetoing this provision to provide a full range of flexibility to municipalities and because I do not believe that the system should be designed to restrict the types of changes which may be made prior to the adoption of the final waste flow control ordinance. The effect of this veto is to make it clear that these resolutions or description reports may be amended for any purpose as long as the opportunity for a public hearing exists after the resolution or description report is amended and before the waste flow control ordinance is adopted.

23. Air Pollution Control Council

Sections 90ap, 2566n and 2567bg

These provisions eliminate the Air Pollution Control Council. I am vetoing these provisions because I am very reluctant to reduce or eliminate the opportunity for citizen input into the decision-making process regarding air pollution. The federal Clean Air Act will make air pollution an even higher priority concern in Wisconsin.

over the next few years. Now, more than ever, citizen input into the technical details of the rules, regulations and decisions of the Department of Natural Resources (DNR) staff will be necessary. Unfortunately, I am unable to reverse the change in the funding for this council which occurred as a modification to the schedule in section 216. This veto will enable this seven-member council to continue to provide advice to the Natural Resources Board on matters pertaining to air pollution, but DNR will be required to absorb the \$13,600 biennial cost of the council.

24. Stewardship Carryover in 2000

Section 724e

This section provides that any unencumbered GPR-supported bonding authorization for the Stewardship program remaining on June 30, 2000 may continue to be expended, subject to the annual limits and prorated if necessary.

In August 1989, I enacted into law the Wisconsin Stewardship Program, a 10-year program of \$250 million in GPR-supported bonding. I am vetoing this section because it is premature — in 1991 — to address the disposition of Stewardship bonding amounts for the year 2000. There will be ample time to address this and other Stewardship related issues in the years to come.

25. Stewardship — Copper Falls State Park

Section 9142 (11r)

This provision earmarks \$150,000 in fiscal year 1991-92 from Stewardship property development funds to install shower facilities at Copper Falls State Park.

I am vetoing this provision because it circumvents the normal planning and priority ranking process set within the Department of Natural Resources for expenditure of Stewardship funds. The project should compete with similar projects for these limited property development funds.

26. Stewardship — Dr. Carl Welty Environmental Education Center

Section 9142 (12j)

This provision earmarks \$25,000 annually from Stewardship local park aid funds under s. 20.866 (2) (tz) for the construction of the Dr. Carl Welty environmental education center in Big Hill Park in the City of Beloit.

I am vetoing this provision because it circumvents the normal priority ranking process used by the Department of Natural Resources (DNR) for allocating Stewardship funds for local park aids. I encourage the local sponsors of the Welty Center to apply for these funds through the established DNR process.

27. Stewardship — Federal Land Acquisition Funding Offset and Milwaukee River Restoration Sections 693 [as it relates to federal land acquisition funds], 723, 723m, 740e and 9142 (11p)

Section 693 eliminates the provision that requires that the federal land acquisition funds received be counted as amounts expended under the Stewardship program's \$25,000,000 annual expenditure limit. I am vetoing this provision because this was a critical component in negotiating the provisions which led to a bipartisan enactment of the Stewardship program. The Stewardship program is intended to fund \$250,000,000 in land acquisition and conservation funding over the next ten years, including the federal land acquisition funds. Excluding the offset of federal land acquisition funds will lead to an increase in GPR debt service costs of at least \$38 million over the length of the Stewardship program. The offset of the federal land acquisition funds was a vital component to Stewardship enactment, as it minimizes the debt service burden on Wisconsin's taxpayers, while ensuring a meaningful and effective \$250 million Stewardship program.

Section 723, 723m and 740e provide an additional \$1.9 million annually in GPR-supported bonding beginning in fiscal year 1991-92 and ending in fiscal year 1999-2000 in the Stewardship program for grants to restore the Milwaukee River. I am vetoing these provisions because the program is funded from elimination of the Stewardship bonding offset of federal land acquisition funds. The effect of this provision is to reduce state debt service pending the receipt of the results of the Department of Natural Resource environmental and engineering study regarding removal of the North Avenue dam. I would consider legislation that targets existing Stewardship bonding to restoration of the Milwaukee River.

Section 9142 (11p) earmarks \$1.9 million annually in fiscal year 1991-92 and fiscal year 1992-93 from the expanded Stewardship bonding for the removal of the North Avenue dam. Since I am vetoing all the Milwaukee River bonding provisions, this provision no longer applies, and I am vetoing the provision. Moreover, the future of the dam should not be decided in this manner. It is obvious that more public debate between the affected communities and interest groups is necessary.

28. Milwaukee North Avenue Dam Removal Study
Section 1029oz

This provision requires the Department of Natural Resources (DNR) to conduct an environmental and engineering study concerning the removal of the North Avenue Dam in Milwaukee. This provision also allows the DNR to keep the North Avenue Dam drawn down for up to two years, or longer upon petition by the City of Milwaukee, to conduct the dam removal study.

I am partially vetoing the provisions relating to an extended draw down, because the DNR has not

demonstrated that a lengthy draw down is needed to complete this study. In addition, the length of draw down should be discussed as part of developing a community consensus on the future of the dam, including those communities upstream which are affected by the draw down of the North Avenue Dam. The effect of this veto is to retain \$295,000 annually for the environmental and engineering study of North Avenue dam removal, without an extended draw down automatically authorized by statute.

29. Milwaukee River Revitalization Council
Sections 90j and 90m

Section 90j requires the Governor to fill vacancies on the Milwaukee River Revitalization Council within three months. I am vetoing this section because it is an unnecessary infringement on the appointment powers of the executive office.

Section 90m specifies that the chair of the council be appointed by the Secretary of Natural Resources. I am vetoing this section because it is inappropriate. Since the council's statutory duties include advising the Department of Natural Resources (DNR), appointment of the council chair by the DNR Secretary is inappropriate. The effect of my veto is to retain the council's current policy of selecting a chair through election by council members.

30. Henry Aaron State Park
Sections 693 [as it relates to Henry Aaron State Park], 723p, and 724d

These provisions: (a) provide a total of \$3,400,000 in bonding for the Department of Natural Resources (DNR) to be expended during a period from the effective date of Assembly Bill 91 to June 30, 2000; (b) provide \$3,400,000 for establishment and development of the park; (c) direct DNR to develop a plan to finance the completion of the state park without using any additional moneys appropriated under s. 20.866 (2) (tz) (Stewardship funds); (d) mandate that the DNR remove concrete and restore the natural channel of the Menominee River in Milwaukee; and (e) state that for purposes of adjusting the Stewardship spending allocations under s. 23.0915 (2) (a) to (c), \$1,000,000 shall be treated as moneys that were expended in fiscal year 1990-91 for stream bank easements and \$500,000 shall be treated as monies that were expended in fiscal year 1990-91 for wildlife habitat restoration.

I believe that further study and analysis of the environmental and fiscal effects of Henry Aaron State Park is warranted prior to commitment of significant state funds. I am partially vetoing these provisions to reduce the bonding appropriated from \$3,400,000 to \$400,000, because of the many environmental and economic questions which must be answered prior to commitment of state funds for this park. I am also vetoing the use of funds for establishment of this park, pending receipt of the studies which are funded under this act. The effect of this veto is to retain \$400,000 to be

used for preparation of a park development study and a financing plan which will address these unanswered environmental and economic questions.

I am vetoing the prohibition against further use of state Stewardship funds, as this is premature pending evaluation of the completed development study and financing plan. I am vetoing the mandated concrete removal and channel restoration until the environmental analyses and cost estimates are available for consideration.

I am vetoing the reference to \$1,000,000 in stream bank easements, as these funds are no longer needed. The effect of this veto is to restore \$1,000,000 to stream bank easements, as originally intended, and to use unspent wildlife habitat funds to fund a feasibility study and financing plan for Henry Aaron State Park.

31. Pike River Designation as Scenic Urban Waterway
Sections 216 [as it relates to s. 20.370 (4) (dd)] and 969f

Section 969f designates the Pike River and its watershed as a scenic urban waterway in the Department of Natural Resources (DNR) Scenic Urban Waterways program. I am vetoing this provision because I do not support expansion of the current Scenic Urban Waterways program at this time.

Section 216 [as it relates to s. 20.370 (4) (dd)] provides an additional \$25,000 GPR annually for the DNR to increase funding for inclusion of the Pike River in the Scenic Urban Waterways program. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding in the DNR Scenic Urban Waterways appropriation was included during the legislative budget deliberations.

I object to expanding the Scenic Urban Waterways program to include the Pike River. By lining out the DNR's s. 20.370 (4) (dd) appropriation and writing in a smaller amount that deletes the \$25,000 GPR for the Pike River in fiscal year 1991-92 and fiscal year 1992-93, I am vetoing the part of the bill which funds the inclusion of the Pike River in the program. I am also requesting the Department of Administration Secretary not to allot these funds.

32. Urban Rivers Grants Program
Sections 215am [as it relates to the urban rivers program], 216 [as it relates to s. 20.370 (4) (ja)], 333r, 384m, 690b, 692b, and 969g

These provisions create a new urban rivers grant program in the Department of Natural Resources (DNR) to award grants to municipalities to assist them in developing projects on or adjacent to rivers that flow through urban areas. In addition, these provisions authorize \$750,000 in new GPR-supported bonding to finance, under specified conditions, a \$500,000 grant for projects on the Rock River and a \$250,000 grant for a project in the City of Waukesha. Principal repayment

and interest is paid from the general fund under appropriation s. 20.370 (4) (ja).

I am vetoing the urban rivers grant program provisions, including the bonding authorization and the Rock River and Waukesha grants, because the state, given current fiscal conditions, cannot afford to authorize additional GPR-supported bonding for this purpose at this time. I understand that provisions similar to these have been considered by the Legislative Council Study Committee on Surface Water Resources and are currently under consideration as separate legislation. I would consider supporting legislation which targets urban rivers projects if funding for such a program was reallocated within the current law bonding limitations of the Stewardship program.

33. Northern Great Lakes Regional Visitors Center
Sections 9142 (11g)

This provision appropriates \$325,000 SEG from the conservation fund for the Department of Natural Resources (DNR) to give a grant to Ashland County for the planning and design costs of the northern Great Lakes regional visitors center.

I am partially vetoing the phrase "to be used for" because it is unnecessary. It is anticipated that federal funds will be available to supplement the state segregated revenues on this project. To ensure that no state funds are expended before federal funds are received, I am requesting that the Department of Administration (DOA) Secretary place the \$325,000 SEG in s. 20.370 (4) (Lr) into unallotted reserve until federal funds for this project are received. I am also requesting that the DOA Secretary ensure that in the future no state funds are used to support operating costs of the northern Great Lakes regional visitors center.

34. DNR Parks General Program Operations Appropriation
Section 216 [as it relates to s. 20.370 (1) (ea), habitat stamp replacement and Heritage Hill State Park]

Habitat Stamp Replacement. This provision provides \$216,600 GPR in fiscal year 1991-92 and \$199,400 GPR in fiscal year 1992-93 to the Department of Natural Resources (DNR) to fund activities that my original budget proposed funding through use of a habitat stamp. The funds would be used for new trails operations and the Chippewa Moraine unit of the National Scientific Ice Age Reserve. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the DNR's parks general program operations appropriation for this purpose was included by the Joint Committee on Finance during legislative budget deliberations.

I object to expanding the parks operations through excessive utilization of general purpose revenue. By

lining out the DNR's s. 20.370 (1) (ea) appropriation and writing in a smaller amount that deletes \$216,600 GPR in fiscal year 1991-92 and \$199,400 GPR in fiscal year 1992-93, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

Heritage Hill State Park. This provision provides \$11,500 GPR in fiscal year 1991-92 and \$22,500 GPR in fiscal year 1992-93 for Heritage Hill State Park. Funds would be used by the operating organization to fund park operations. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the DNR parks general program operations appropriation for this purpose was included during Assembly budget deliberations.

I object to earmarking parks funds for specific park operations. The DNR must retain flexibility to allocate parks funds across the state on the basis of top priority needs. Using limited taxpayer dollars to specifically earmark one park is unwarranted. By lining out the DNR's s. 20.370 (1) (ea) appropriation and writing in a smaller amount that deletes the \$11,500 GPR in fiscal year 1991-92 and \$22,500 GPR in fiscal year 1992-93, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

35. DNR Administrative Services General Program Operations Appropriation
Section 216 [as it relates to s. 20.370 (8) (ma)]

This provision provides the Department of Natural Resources (DNR) \$25,500 GPR in fiscal year 1991-92 and \$50,900 GPR in fiscal year 1992-93 and 1.0 GPR FTE position for the Office of Tribal Cooperative Management. Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to the DNR's administrative services general program operations appropriation for this purpose was included by the Joint Committee on Finance during legislative budget deliberations.

I object to expanding the DNR Office of Tribal Cooperative Management at this time. I approved the creation of the Office of Tribal Cooperative Management contingent on reallocation of existing base level funds. Various bureaus within the DNR, as well as many other state agencies, have been working with Wisconsin's tribal governments to ensure program coordination and integration. Additional staff are not needed. By lining out the DNR's s. 20.370 (8) (ma) appropriation and writing in a smaller amount that deletes \$25,500 GPR in fiscal year 1991-92 and \$50,900 GPR in fiscal year 1992-93, I am vetoing the part of the bill which funds this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

36. DNR Resource Management General Program Operations Appropriation

Section 216 [as it relates to fiscal year 1991-92 funding for s. 20.370 (1) (ma)]

This provision provides the Department of Natural Resources (DNR) \$75,400 GPR in fiscal year 1991-92 and \$336,800 GPR in fiscal year 1992-93 and 3.0 GPR FTE positions. Funds would be used to hire two Stewardship program wildlife managers and a preventative maintenance coordinator, and to establish a \$200,000 preventative maintenance fund in fiscal year 1992-93. Although there is no language in the budget bill that authorizes this increase or the positions, an amendment to provide this funding and positions to the DNR's resource management general program operations appropriation for this purpose was included during the budget deliberations of the Joint Committee on Finance and the Legislature.

My original budget proposed funding these activities through use of a habitat stamp, to be applied to hunting and fishing licenses. I object to further use of general purpose revenue for these purposes. It is more appropriate for these activities to be user-fee funded. By lining out the DNR's s. 20.370 (1) (ma) appropriation and writing in a smaller amount that deletes \$75,400 GPR in fiscal year 1991-92, I am vetoing the part of the bill which funds these provisions. I am also requesting the Department of Administration Secretary not to allot these funds. In addition, the second year funding for this appropriation is being vetoed to zero in a separate veto (see Government Operations Item B-1). It is my intent that GPR funding not be provided for these activities when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

37. Lake Michigan Commercial Fishing

Section 962bn [as it relates to trawling of smelt during daytime hours]

This provision creates s. 29.33 (4m), which enacts certain changes governing fishing in Lake Michigan and Green Bay.

I am partially vetoing the language in s. 29.33 (4m) (c) which allows trawling for smelt during daytime hours on the waters of Green Bay. However, I am preserving the provision which allows sorting or sale of fish caught incidentally, as it is currently illegal to dispose of rough fish into waters of the State. I am also requesting that the Department of Natural Resources (DNR) form a group, including the DNR, the Department of Development, the University of Wisconsin, the United States Fish and Wildlife Service, the University of Wisconsin-Sea Grant Institute, and commercial and sport fishing representatives, to further study the dynamics of the alewife population and the effect of commercial trawling on the salmon sport fishery.

As the alewife population declined during the 1980's, the health of the salmon population also declined. The DNR and the Great Lakes Fishery Commission have

determined that alewives need protection to recover from precariously low population levels. At night, alewife move off the lake bottom and are much less vulnerable to trawling. The DNR estimates that limiting trawling to night-time hours will reduce the incidental alewife kill from greater than 300,000 pounds to an estimated 25,000 pounds. Therefore, because daytime trawling could harm alewife populations and the salmon fishery, I am partially vetoing this provision.

38. Discount for 16-Year Old Anglers

Section 869

This provision provides a schedule of reduced fish and game fees for certain residents, including a discounted fee of \$4.25 for an annual fishing license issued to 16-year-old resident anglers.

Wisconsin anglers under age 16 are not required to obtain a fishing license and therefore fish free. Free fishing provides an opportunity for Wisconsin's children to learn fishing skills and enjoy Wisconsin's superb fishing opportunities. I am partially vetoing this provision because I believe that residents at age 16 can afford to begin paying the full annual fishing license fee. The effect of my veto is to require 16-year-old anglers to pay the full fishing license fee. This veto will also serve to improve the fiscal condition of the conservation fund.

39. Fish Rearing Ponds Grant Program

Sections 216 [as it relates to s. 20.370 (4) (bb)], 370m and 962d

These provisions appropriate \$50,000 GPR annually for the Department of Natural Resources for grants to restore certain unused or underused fish rearing ponds.

In 1989 Wisconsin Act 31, I approved \$250,000 GPR for a one-time grant program to restore unused or underused fish rearing ponds to increase walleye and muskellunge stocking in the northern ceded territories. As a result of this program, most of the unused or underused fish rearing ponds in the ceded area have been rehabilitated. Since this program's goals have been substantially met, I am vetoing continuation of this one-time initiative.

40. Preference for Special Deer Hunting Permits

Section 929j [relating to the preference system for issuing special deer hunting permits]

Section 929j contains a provision which directs the Department of Natural Resources to treat residents and nonresidents equally for purposes of being eligible under the 2nd preference for special deer hunting permits. First preference is limited to certain resident landowners.

I am partially vetoing the provision concerning 2nd preference because I believe residents should receive preference over nonresidents in obtaining special deer hunting permits. The effect of this veto is to provide 2nd preference for resident applicants and 3rd preference for nonresident applicants.

41. Elk Reintroduction

Sections 216 [as it relates to s. 20.370 (1) (fr)], 328n, and 9142 (14c)

These provisions appropriate funding of \$59,100 SEG in fiscal year 1991-92 to the Department of Natural Resources, to be matched by private donations, for elk reintroduction in the next biennium.

I am vetoing these provisions because this issue has received too little public discussion and input. I am requesting the Natural Resources Board to review this issue and to make recommendations on elk reintroduction. The board's review should include the concerns raised by local residents from areas adjacent to the proposed reintroduction sites in Bayfield County.

42. Lake Winnebago Comprehensive Project Plan

Sections 215am [as it relates to \$81,500 new bonding authorization for Lake Winnebago Comprehensive Project], 692d, 967 and 9108 (1) (h) 1 and 2 [as it relates to \$81,500 new bonding authority for Lake Winnebago Comprehensive Project]

These provisions relate to the authorization of the Department of Natural Resources (DNR) to implement a project to place structures and/ or fill on the beds of Lakes Winneconne, Winnebago, Butte des Morts and Poygan. The purpose of this project is to improve or restore navigation, wetland habitat, water quality, fish and wildlife habitat, natural aesthetic value and recreational use of these lakes. Existing GPR-supported bonding authority of \$418,500 and new GPR-supported bonding of \$81,500 is authorized for this project.

I am partially vetoing the new general fund bonding authorization of \$81,500 because I object to expanding the state GPR-supported borrowing for this project at this time. I strongly support this project because of its tremendous value as a waterfowl, fishery and recreational resource. The effect of this partial veto is to retain the existing bonding authority of \$418,500, under recreation development programs, as well as \$100,000 SEG from the conservation fund provided annually to the DNR for continued management plan research and implementation.

43. Fox-Winnebago Regional Management Commission
Section 1029oxr

Section 1029oxr creates a Fox-Winnebago Regional Management Commission, which is authorized to manage, operate, restore and repair the Fox River navigational system. The provisions give the Commission control over lamprey barriers and require a monetary contribution for management and operations from counties in the Fox-Winnebago Regional Management Commission. The section does not apply until the day after the Governor certifies that the state has received federal funds for the restoration and repair of the Fox River navigational system.

I am partially vetoing the provision which allows the Fox-Winnebago Regional Management Commission control over lamprey barriers. I believe that control of lamprey barriers is best retained by the Department of Natural Resources (DNR). The DNR has the expertise in fish management and the statutory duty to protect Lake Winnebago, one of the nation's few naturally-reproducing lake sturgeon lakes. I am requesting that the Natural Resources Board work with all interested parties to address legitimate recreational boating needs, including development of any needed boat lifts, while protecting the resource against sea lamprey infestation.

I am also partially vetoing the provision which requires a \$25,000 contribution from each county (Brown, Calumet, Fond du Lac, Outagamie, and Winnebago Counties) to match the \$125,000 in state funds (released only if specified criteria are met), for the management and operation of the Fox River navigational system. I am vetoing the requirement that each county, regardless of size, contribute an equal amount. However, I am retaining language which requires a local matching contribution from these counties as a whole. The individual funding contributed by each county is best left as a subject for negotiation among the affected counties.

Finally, I am vetoing a phrase which contains an incorrect statutory reference to Chapter 149, which regulates tuberculosis sanitariums.

44. Urban Forestry Grants

Sections 370e, 370ed, 9142 (13t) and 9442 (12w)

These provisions require the Department of Natural Resources to provide earmarked urban forestry grants to the Department of Transportation in the amounts of \$10,000 SEG for tree planting in the medians of State Highways 100 and 181, and \$10,000 SEG for planting along State Highway 41.

I support the new urban forestry grant program created in this budget. I am, however, vetoing sections 370ed, 9142 (13t), 9442 (12w) and partially vetoing section 370e because these funds are intended to fund forestry-related grants to cities, rather than to a state agency for earmarked projects.

45. Purple Loosestrife Research — Matching Grant
Section 9142 (11j)

Section 9142 (11j) provides \$12,500 GPR in each year to the Department of Natural Resources (DNR) for grants to the Great Lakes Indian Fish and Wildlife Commission for research and control of purple loosestrife.

I am vetoing this provision because the DNR Bureau of Research is currently completing a study on control of purple loosestrife. Since I am vetoing the purpose of this provision, funding is no longer needed. I am therefore requesting the Department of Administration Secretary to place \$12,500 GPR in fiscal year 1991-92 in appropriation s. 20.370 (1) (ma) in unallotted reserve to lapse to the general fund. In addition, the second year funding for this appropriation is being vetoed to zero in a

separate veto (see Government Operations Item B-1). It is my intent that funding not be provided for this item when the appropriation level is set for fiscal year 1992-93 in subsequent budget legislation.

46. Purple Loosetrife Research — Endangered Resources Appropriation

Section 216 [as it relates to s. 20.370 (1) (fc)]

This provision provides \$12,500 GPR in fiscal year 1991-92 and \$12,500 GPR in fiscal year 1992-93 to the Department of Natural Resources (DNR). Although there is no language in the budget bill that authorizes this increase, an amendment to provide this funding to DNR's endangered resources Stewardship program appropriation was included during legislative budget deliberations.

I object to expanding the research on purple loosetrife. Using limited GPR dollars for this activity is unwise. By lining out the DNR's s. 20.370 (1) (fc) appropriation and writing in a smaller amount that deletes the \$12,500 GPR in fiscal year 1991-92 and \$12,500 GPR in fiscal year 1992-93, I am vetoing the part of the bill which funds this program. I am also requesting the Department of Administration Secretary not to allot these funds.

47. Endangered Resources Funding

Section 216 [as it relates to s. 20.370 (1) (fb)]

This provision appropriates \$200,000 GPR in each fiscal year, for administration of the nongame and endangered and threatened species conservation program.

Elsewhere in this bill, I have approved up to \$450,000 GPR in fiscal year 1991-92 and \$500,000 in fiscal year 1992-93 to create a new endangered resources challenge fund. This fund will match contributions from the endangered resources income tax form check-off program. I am vetoing this \$200,000 GPR annual appropriation in this provision because the challenge fund provides sufficient funding for endangered resources. Last year, the tax check-off for endangered resources yielded \$695,600. The challenge fund appropriation in this bill will nearly double the resources available for these important programs.

48. Eligible Activities for Lake Management Grants

Section 2564r

These provisions define the Department of Natural Resources (DNR) responsibilities and authority to administer grants for lake management projects that will improve or protect lake water quality. The program is SEG funded through a \$1.5 million one-time transfer from the transportation fund.

I have retained the \$1.5 million funding for this program and most of the program's provisions. I am, however, partially vetoing the provisions that prohibit the DNR from promulgating rules which include dredging or chemical treatment of aquatic nuisances because these

are activities which should be eligible for consideration for financial assistance under this program. I am partially vetoing these provisions to allow the DNR discretion to develop administrative rules, subject to public hearing and debate, which define which eligible activities, from a resource management perspective, best deserve funding under the new lake management grant program. I believe selective and careful use of dredging and chemical treatment of aquatic nuisances can be warranted under certain defined circumstances.

49. Earmarking of Dam Repair Funds

Sections 1029p and 9142 (10d)

Section 9142 (10d) (b) directs the Department of Natural Resources (DNR) to earmark \$100,000 from the capital improvement fund, or an amount equal to 50% of the cost of repairs, whichever is less, under the dam repair and removal program to repair the Killarney Dam in the Town of Little Rice in Oneida County. Section 9142 (10d) (c) directs the DNR to provide \$50,000 of funds from the capital improvement fund, or 50% of the cost of repair, whichever is less, to Price County under the dam repair and removal program to repair the Weimer and Musser Dams.

I am vetoing these provisions because they circumvent the DNR's dam repair and removal prioritization system which is based on considerations such as relative safety hazards. Municipal dam owners should seek funding through the established DNR process. It should be noted that the budget expands the dam repair and removal program by providing \$3,000,000 in conservation fund-supported bonding for grants to municipalities.

50. Wetlands Program Staffing

Section 216 [as it relates to s. 20.370 (3) (ma)]

This provision provides the Department of Natural Resources (DNR) \$61,700 GPR in fiscal year 1992-93 and 3.0 GPR FTE positions to implement DNR water quality regulations for wetlands contained in NR 103. Although there is no language in the budget bill that authorizes these funding and position increases, an amendment to provide this increased funding and positions for this purpose was included during legislative budget deliberations in conference committee.

I object to providing increased funding and position authority for implementation of NR 103. The DNR has already received additional staff and funding to assist in NR 103 implementation. Using limited GPR for this purpose is excessive. By lining out the DNR's s. 20.370 (3) (ma) appropriation and writing in a smaller amount that deletes the \$61,700 GPR provided for this purpose in fiscal year 1992-93, I am vetoing the part of the bill which funds this expansion and staff. I am also requesting the Department of Administration Secretary not to allot these funds.

51. Citizen Petition for an Environmental Impact Statement
Section 744q

This section allows individuals to petition the Natural Resources Board to have the Department of Natural Resources prepare an environmental impact statement for a specific project or proposed action. I am vetoing this section because it duplicates existing law and practice, which allows Wisconsin citizens to petition the Natural Resources Board for any reason whatsoever.

52. Environmental Assessments
Section 2622kh

This provision creates a 25% surcharge for environmental law violations (fines and forfeitures). I am partially vetoing the environmental assessment, through a digit veto of the number "2", to change the level of the environmental assessment from 25% to 5%. Since this is a new surcharge for environmental law violations, which is mandatory in addition to existing fines and forfeitures, I believe a 5% level of assessment is a prudent level of increase in revenue to the Department of Natural Resources.

53. Crandon Snowmobile Bridge
Sections 371, 371c, 9142 (11w) and 9442 (11x)

These provisions require the Department of Natural Resources (DNR) to provide \$24,000 SEG in county snowmobile trail and area aids for a snowmobile bridge across the Wolf River near U.S. Highway 8 at the City of Crandon.

I am vetoing this provision because it circumvents the DNR's existing system of prioritizing and allocating grants. This project has already applied for funding through the normal grant application process.

54. Snowmobile Supplemental Trail Aids
Section 3258g

This section provides that the Department of Natural Resources (DNR), from funds appropriated under the snowmobile trail aids appropriation, shall make available in fiscal year 1991-92 and each fiscal year thereafter an amount equal to 40% of the annual snowmobile gas tax transferred from the transportation fund, to make payments to the DNR for trail maintenance costs incurred in previous fiscal years that exceed the specified maximum annual amount, before expending any of the amount for other specified purposes.

I am partially vetoing the phrase "incurred in previous fiscal years" to clarify that the reference only applies to the previous fiscal year. The DNR and the Wisconsin Snowmobile Recreation Council requested this correction.

55. DNR Magazine Appropriation
Section 393

This provision expands the permitted activities for which the Department of Natural Resources (DNR) revenue generated by the Wisconsin Natural Resources magazine may be expended to include educational and informational activities concerning conservation and the environment.

I am vetoing this provision which diverts Wisconsin Natural Resources magazine revenue to these activities because it is an inappropriate use of these funds. Revenues generated by the Wisconsin Natural Resources magazine should be retained for use on the magazine. At the same time, I am approving a provision in this bill which allows DNR to spend revenues from other DNR promotional activities and the sale of certain items, publications and magazines for educational and information activities concerning conservation and the environment.

56. Endangered Resources Voluntary Payments
Section 328p

This provision contains cross references to tax provisions in Chapter 71 which have been eliminated from the budget bill. I am partially vetoing this provision to eliminate these cross-references in s. 20.370 (1) (fs). The effect of this veto is to retain existing references to endangered resources donations received through the voluntary state individual income tax check-off program.

57. Farms for the Future Fund
Sections 773t, 788t and 2217r

These provisions create the Farms for the Future Fund, a trust fund consisting of gifts, grants and bequests to the fund, and moneys from local units of government and the federal government. The Department of Agriculture, Trade and Consumer Protection would accept and deposit moneys for the fund, which would be under the management of the State of Wisconsin Investment Board. I am vetoing these provisions because I have signed into law, as 1991 Wisconsin Act 38, identical separate legislation creating a Farms for the Future Fund.

58. Report on Pesticide Funding
Section 9104 (4h)

This provision requires the Department of Agriculture, Trade and Consumer Protection (DATCP) to report to the Legislature on or before July 1, 1992 on the feasibility of requiring pesticide manufacturers and labelers to fund the disposal costs of pesticide products sold or distributed as a condition of licensure and on the feasibility of establishing volume-based pesticide fees.

I am partially vetoing the report due date in this provision to require the report to be submitted before July 1, 1992 because an adjustment in the pesticide fee structure is needed before that time. I am concerned about modifications to pesticide fees made in other

provisions in this budget bill because these provisions significantly increase pesticide fees and alter the fee structure. I have decided not to partially veto these pesticide fee provisions because the funding generated by the fees is needed for essential groundwater and pesticide management initiatives. However, I am requesting DATCP to submit the report recommendations on pesticide fees to the Legislature in time for them to be considered during the October 1991 legislative floor period.

59. Transfer of Consumer Protection Programs

Sections 30m, 37m, 38m, 72m, 77p, 77r, 77s, 83r, 84e, 84m, 84s, 85c, 85g, 85k, 85p, 85q, 85r, 86g, 87g, 87j, 89g, 89r, 90b, 90d, 98g, 98h, 178p, 216m, 221e, 703m, 788, 816m, 816p, 833g, 833j, 1009g, 1009j, 1029r, 1084g, 1084p, 1159m, 1369m, 1595g, 1595j, 1595jj, 1603t, 1624am, 1645m, 1673m, 1683m, 1689g, 1690m, 1699m, 1720g, 1720j, 2150e, 2184m, 2205d, 2205e, 2205f, 2205g, 2205i, 2205k, 2205m, 2205p, 2208b, 2208p, 2208r, 2208t, 2208v, 2212g, 2212j, 2212m, 2213d, 2213g, 2213m, 2228u, 2233r, 2269m, 2301r, 2304g, 2304h, 2304i, 2304jd, 2304je, 2304jei, 2304jif, 2304jg, 2304ji, 2304jm, 2304jp, 2304js, 2304L, 2304n, 2304p, 2304pg, 2304pi, 2304pk, 2304pm, 2304pr, 2304rg, 2304rm, 2304rp, 2304rr, 2304t, 2304v, 2305bb, 2305bd, 2305bf, 2305bh, 2305d, 2305jd, 2305jh, 2305ji, 2305jj, 2305L, 2305m, 2305n, 2305p, 2305rb, 2305rd, 2305rf, 2305s, 2305t, 2305ug, 2305uj, 2305vb, 2305vd, 2305vf, 2305vh, 2305vj, 2305wb, 2305wd, 2305wf, 2306dd, 2306df, 2306fd, 2306ff, 2306fh, 2306fj, 2306hd, 2306hf, 2306hg, 2306hi, 2306hk, 2306k, 2322p, 2328p, 2328r, 2328s, 2330g, 2330i, 2500d, 2500fb, 2500fd, 2500ff, 2500fh, 2500jf, 2500fL, 2500fn, 2500fp, 2500hd, 2500hf, 2500hj, 2500hj, 2500hd, 2500hp, 2500jd, 2500jf, 2500jh, 2503db, 2503dd, 2503df, 2503dg, 2503h, 2503pg, 2503pi, 2503pk, 2542m, 2553d, 2553f, 2553h, 2553j, 2553L, 2554b, 2564gb, 2564gd, 2564gh, 2564gh, 2564gk, 2564gm, 2564gp, 2564gr, 2564gt, 2564gv, 2564jb, 2564jd, 2564jf, 2564jh, 2564mb [as it relates to the transfer of consumer protection duties], 2564md, 2564mf, 2564mh, 2564mk, 2564mm, 2564p, 2567m, 2633m, 2634m, 2658d, 2658g, 2658j, 2658m, 2658p, 2696g, 2696j, 2696m, 2696p, 2697m, 2710m, 2770p, 2772m, 2772p, 2982m, 3039f, 3039r, 3126p, 3126q, 3126r, 3144d, 3229km, 3229rv, 3232bm, 3270m, 3345m, 3429g, 3429m, 3429np, 3429r, 3433m, 3437w, 3463p, 3463y, 3502m, 3511r, 3512m, 3513m, 3520m, 3521m, 3576g, 3623m, and 3694kk

These provisions: (a) transfer selected consumer protection and trade regulation programs of the Department of Agriculture, Trade and Consumer Protection (DATCP) to the Department of Justice (DOJ), effective November 15, 1991; (b) restrict DATCP's authority under ss. 100.18 and 100.20 to issues pertaining to agriculture and DATCP statutory responsibilities; (c) provide DOJ with authority under ss.

100.18 and 100.20 for all areas exclusive of agriculture; (d) provide DOJ with enforcement authority related to consumer protection responsibilities; (e) transfer consumer protection rules promulgated by DATCP to DOJ; (f) change the name of DATCP to the Department of Agriculture, Food and Trade; and (g) create a statutory division of consumer protection in DOJ.

I am vetoing these provisions to maintain current law as it relates to the transfer of consumer protection functions from DATCP to DOJ. My veto eliminates the transfer of the selected consumer protection programs and all of the provisions related to the transfer, including the modifications to the authority under ss. 100.18 and 100.20. In addition, I am partially vetoing section 1595jj to eliminate the reference to the Department of Agriculture, Food and Trade. My partial veto retains the requirement for the Department of Health and Social Services (DHSS) to coordinate the designation of agents under s. 50.535 (2) (am) with the Department of Agriculture. While the language in the bill prevented my partial veto from restoring the full name of the Department of Agriculture, Trade and Consumer Protection (DATCP), it is my intent that DHSS and DATCP continue to fulfill their responsibilities under s. 50.535 (2) (am) as repealed and recreated.

I am vetoing the proposed transfer of consumer protection functions from DATCP to DOJ because there is no policy, programmatic or administrative justification for the transfer. Consumers would not be better served by transferring these functions to DOJ. In fact, the Legislature adopted these provisions, not only without adequate public input, but also without any indication of dissatisfaction with the current programs from consumers or businesses. The consumer protection provisions transferred affect virtually every citizen and every business in the state. However, the transfer was adopted as a budget amendment with no opportunity for the affected public to respond or participate in the process. Moreover, the transfer results in no material cost savings or administrative efficiencies and would likely result in increased costs due to greater reliance on litigation to resolve consumer complaints.

As noted above, the transfer provisions divide, between DATCP and DOJ, authority for administering and enforcing Wisconsin's deceptive advertising (s. 100.18) and unfair trade practices laws (s. 100.20) based on whether an issue is related to agriculture or not. DATCP would be given responsibility for issues relating to agriculture and DATCP's statutory programs; DOJ would assume sole responsibility for all nonagricultural issues. The reassignment of responsibilities between DATCP and DOJ under these two laws would fragment, create duplication of effort and result in jurisdictional conflicts between the two agencies. The deceptive advertising and unfair trade practices laws are among Wisconsin's broadest consumer protection laws. Dividing the responsibility for administering these laws based on whether an issue is an agricultural issue or a nonagricultural issue is ambiguous and would exacerbate

any jurisdictional confusion that may currently exist between the two agencies. The transfer, rather than clarifying consumer protection responsibility, would create confusion among Wisconsin consumers.

60. Consumer Protection Funding

Sections 216 [as it relates to s. 20.455 (1) (hm), (q) and (u)], 220m, 221m, 221r, 9104 (5m) and 9404 (1g)

Sections 220m, 221m and 221r renumber three appropriations related to the transfer of three consumer protection programs from the Department of Agriculture, Trade and Consumer Protection (DATCP) to the Department of Justice (DOJ). Under section 216 [as it relates to s. 20.455 (1) (hm), (q) and (u)], these appropriations, for mobile air conditioner fees [s. 20.455 (1) (hm)], automobile repair regulation [s. 20.455 (1) (q)], and recyclable and non-recyclable products regulation [s. 20.455 (1) (u)] are also placed in the Chapter 20 schedule under s. 20.005 (3) in DOJ's appropriation schedule. I am vetoing these provisions to retain current law relating to the funding of consumer protection programs in DATCP because I am vetoing the transfer of these programs in a separate veto (see Environmental and Commercial Resources Item E-59).

As originally drafted, section 9104 (5m) provides explicit instructions as to the transfer of positions, assets and liabilities, records, property and other facets related to the transfer of consumer protection programs from DATCP to DOJ. I am partially vetoing this section to eliminate these instructions because, as mentioned above, in another veto I am eliminating the sections in the bill transferring the jurisdiction of these programs.

Furthermore, I am partially vetoing this section to provide specific instructions in session law that the authorization for 30 positions, as listed in the section, shall remain in DATCP. In addition, my partial veto of the section provides that, notwithstanding any restrictions in Chapter 20, the Department of Administration shall transfer to the applicable appropriations in DATCP the funding necessary for the continuation of DATCP consumer protection programs.

Under the authority of section 9104 (5m), as partially vetoed, I am requesting the Department of Administration Secretary to take the following action regarding GPR funding for DATCP consumer protection programs:

- * Transfer \$483,300 GPR in fiscal year 1991-92 and \$609,200 GPR in fiscal year 1992-93 from appropriation s. 20.455 (1) (a) to appropriation s. 20.115 (1) (a).
- * Place \$18,100 GPR in fiscal year 1991-92 in appropriation s. 20.455 (1) (a) in unallotted reserve in order to lapse this amount to the general fund.

For the program and segregated revenue appropriations I have chosen to transfer the expenditure authority from the appropriations provided to the Joint Committee on

Finance to supplement the expenditure authority for these types of appropriations. My choice to use the committee's appropriation for this transfer reflects the fact that the DATCP appropriations contain a clear reference to each respective source of funds under their Chapter 20 authorization and that this section, as partially vetoed, authorizes DOA to transfer the necessary expenditure authority for these programs. Therefore, I am requesting the Department of Administration Secretary to take the following actions:

- * Transfer \$78,200 PR-O expenditure authority in fiscal year 1991-92 and \$125,100 PR-O expenditure authority in fiscal year 1992-93 from appropriation s. 20.865 (4) (g) to appropriation s. 20.115 (1) (hm).
- * Transfer \$164,200 SEG expenditure authority in fiscal year 1991-92 and \$259,700 SEG expenditure authority in fiscal year 1992-93 from appropriation s. 20.865 (4) (u) to appropriation s. 20.115 (1) (q).
- * Transfer \$95,900 SEG expenditure authority in fiscal year 1991-92 and \$151,700 SEG expenditure authority in fiscal year 1992-93 from appropriation s. 20.865 (4) (u) to appropriation s. 20.115 (1) (u).

Section 9404 (1g) provides an effective date of November 15, 1991 for the transfer of consumer protection programs from DATCP to DOJ. I am partially vetoing this section to delete the reference to transfer of programs, but to retain the delayed effective date for section 9104 (5m). The delayed effective date for section 9104 (5m) is retained to provide time for the establishment of the Chapter 20 schedule under section 216 and the required transfer of GPR funding and program and segregated revenue expenditure authority under section 9104 (5m).

As a result of this partial veto, Wisconsin's consumer protection programs under the jurisdiction of DATCP will continue to receive funding and staff resources.

61. Milk Procurement Fee

Section 2248

This section creates an annual milk procurement fee to be paid by dairy plants based on the amount of milk that a dairy plant received during the previous license year. Unless otherwise established by rule, the milk procurement fees are established at 0.45 cent per 100 pounds of grade A milk and 0.2 cent per 100 pounds of grade B milk.

I am partially vetoing this section to reduce the level of the grade A milk procurement fee to 0.4 cent per 100 pounds of milk because the fee level established by the Legislature would generate more revenue than is necessary to support the Department of Agriculture, Trade and Consumer Protection's (DATCP) dairy inspection program. In addition, I am requesting DATCP to monitor the revenues generated by all of the fees which support the department's food safety programs, and modify the fees as necessary, through the rule-making process, to ensure that the fees in place

generate the appropriate level of revenue to support the programs.

62. Minimum Milk Prices

Sections 216 [as it relates to s. 20.115 (3) (im)], 227m, 2306m and 9104 (3w)

These provisions authorize the Secretary of the Department of Agriculture, Trade and Consumer Protection, if petitioned by 10% of Wisconsin milk producers, to establish minimum prices at which milk must be purchased from Wisconsin milk producers.

I am vetoing these provisions because establishing milk prices higher than the milk prices in competing states would undermine the ability of Wisconsin's dairy industry to compete in national dairy markets.

Wisconsin is primarily a manufactured dairy product state with approximately 85% of Wisconsin's dairy products sold out-of-state. Requiring higher milk prices than in other states would be detrimental to the Wisconsin dairy industry's ability to maintain out-of-state markets. I am sensitive to the difficult past year experienced by Wisconsin dairy farmers and dairy plants. However, state-level price intervention would not be effective in ensuring the long-term profitability of our dairy industry.

63. Marketing Agency in Common Grant

Sections 9104 (6e)

This provision requires the Department of Agriculture, Trade and Consumer Protection (DATCP) to make a dairy marketing agency in common planning and technical assistance grant of \$50,000 by no later than December 31, 1991, to an applicant that demonstrates the greatest likelihood for the successful formation of a marketing agency in common. I am partially vetoing this provision to make DATCP's authority to award the grant permissive and to remove the December 31, 1991 deadline for awarding the grant because DATCP should have more discretion in evaluating applications and in the decision to award the grant once applications are evaluated. My partial veto will ensure that DATCP has adequate oversight of the expenditure of state funds. Removal of the December deadline will provide applicants adequate time to prepare applications and DATCP sufficient time to evaluate applications.

64. Export Trading Company Grant

Section 216 [as it relates to s. 20.115 (3) (c)], 226p, 226r, 9104 (6d) and 9404 (4d)

These provisions require the Department of Agriculture, Trade and Consumer Protection to make an agricultural export trading company planning grant of \$50,000 by no later than December 31, 1991 to an applicant that demonstrates the greatest likelihood for the successful formation of an export trading company specializing in the export of manufactured dairy products. I am vetoing these provisions to eliminate the funding and authorization for the grant. I have retained a similar provision relating to the establishment of a dairy

marketing agency in common. Providing state funds for the formation of an export trading company should be delayed until the success of the marketing agency in common pilot project can be evaluated.

65. World Dairy Center Authority Executive Director Appointment

Section 3126m

This provision establishes the World Dairy Center Authority. One statutory section in this provision designates the membership of the authority and defines how the executive director of the Authority shall be appointed. I am partially vetoing this statutory section to remove the requirement that the Governor receive the advice and consent of the Senate in appointing the executive director of the authority. I am vetoing the "advice and consent" provision to provide the executive branch additional flexibility to make this appointment. My partial veto retains the membership specified under this statutory section, including the appointment of four legislators to the Authority.

66. Surplus Dairy Products Distribution Program

Section 2211s

This section requires the Department of Agriculture, Trade and Consumer Protection to establish a program to assist other persons in distributing surplus dairy products produced in Wisconsin to schools, the elderly and the needy. I am vetoing this section because the distribution of surplus dairy products is a federal responsibility and there is already a federal system in place for the distribution of surplus dairy products. Establishing a state program for this purpose is duplicative and unnecessary.

67. Crisis Hotline Information in Milk Checks

Section 2254m

This section requires Wisconsin dairy plants, at least every six months, to include with their payments for milk written information on the farmer assistance crisis hotline. The Department of Agriculture, Trade and Consumer Protection (DATCP) is required to develop and furnish to dairy plants information on the DATCP's farmers assistance crisis hotline.

I am partially vetoing this section to remove the mandatory requirement on dairy plants to provide crisis hotline information with milk payments because the decision to include the information should be left to individual plants. My partial veto will retain the requirement that DATCP develop and provide, at the request of dairy plants, information relating to the hotline.

68. Rusk County Fairground and Recreational Area Improvement Grant

Sections 216 [as it relates to s. 20.115 (4) (fg)], 230c and 9104 (4p)

These provisions require the Department of Agriculture, Trade and Consumer Protection to provide up to

\$30,000 in fiscal year 1991-92 for a grant to the Rusk county board of supervisors for improvements to the Rusk county fairground and recreational area. The grant funds provided must be matched by the Rusk county board of supervisors with funds not provided by the state. I am vetoing these provisions because funding for county fairground improvements is, and should remain, a local government responsibility and providing a grant for a specific fairground would establish a precedent for similar requests in the future.

69. Animal Health Laboratory Fees
Sections 2211g and 9104 (3j)

These provisions require the Department of Agriculture, Trade and Consumer Protection (DATCP) to promulgate rules by November 1, 1991, establishing fees for animal health laboratory services. The amount of the fees are required to be based on the amounts appropriated for the costs of services performed by the DATCP's animal health laboratory.

I am vetoing section 9104 (3j) and partially vetoing section 2211g to remove the requirement that DATCP establish the fees for the animal health laboratory by rule because the rule-making requirement would limit DATCP's ability to adjust the fees as dictated by cost changes and livestock industry needs. Animal health conditions can change rapidly as can the availability of new diagnostic procedures developed to deal with new and emerging diseases. It is imperative for the laboratory to be able to price and implement new tests quickly so that diseases can be identified and actions taken to control the spread of disease among Wisconsin livestock herds. My partial veto is consistent with s. 227.01 (13) (n) and will allow DATCP to establish animal health laboratory fees outside the rule-making process.

70. Limits on Expenditure Authority
Sections 216 [as it relates to s. 20.115 (1) (jm), (7) (gm) and (k) and (8) (h) and (ha)], 221g, 231m, 236m, 240 and 240c

These provisions convert the appropriations identified from "continuing" to "annual." I am vetoing the conversion of these appropriations to maintain their current status as "all funds received" appropriations since they are generally used by the Department of Agriculture, Trade and Consumer Protection to collect and spend funds for specific services provided by the department. Limiting the department's expenditure authority to the amounts in the schedule would not provide the department with the flexibility needed to respond to changes in demand for the services authorized by these appropriations.

71. Meat Inspection Program Audit
Section 9136 (3d)

This section requests the Legislative Audit Bureau to conduct an evaluation of the Department of Agriculture, Trade and Consumer Protection Meat Inspection program to address the possibility of the state converting

from state to federal meat inspections, the impact of converting to federal inspections and the amounts of fees that are permitted under federal law to offset the costs of the state Meat Inspection program. I am vetoing this section because enumeration of the study in the budget is unnecessary. The Legislature can request such a study through its Joint Audit Committee.

72. Wisconsin Development Fund — Earmarks
Sections 251 [as it relates to a loan to an investment company, a grant to the Advance Business Development Center and a payment to the Board of Regents], 257 [as it relates to a loan to an investment company] and 9115 (4fn), (4g) and (4j)

These provisions require the Department of Development (DOD) to: (a) make a loan of up to \$1 million to a Milwaukee investment company for the purpose of stimulating and retaining business investment and jobs in an area of high unemployment and low average income; (b) make a grant of \$100,000 before July 1, 1993, to the Advance Business Development Center in Green Bay for the purpose of establishing a revolving loan fund for women-owned businesses located in its smallbusiness incubator; and (c) make a payment of \$530,000 to the University of Wisconsin Board of Regents for the purpose of funding the University of Wisconsin-Stout Technology Transfer program. The payment to the Board of Regents is contingent on the receipt by the Technology Transfer program of \$165,000 in federal funding. The funding for all of these provisions is provided through the Wisconsin development fund appropriation.

I am vetoing section 9115 (4fn), (4g) and (4j) and partially vetoing sections 251 and 257 because the Legislature did not provide additional funds to support the provisions and the enumeration of special projects from the development fund appropriation usurps the Development Finance Board's authority to award funding based on the evaluation of applications. DOD has recently spent considerable time and effort developing a system for receiving and evaluating development fund applications to ensure that the applications are reviewed and awarded on a competitive basis. While the earmarked programs have merit, evaluating the merits of each application individually and in relation to other applications is essential to ensure that the limited development fund dollars are used in a manner that maximizes the economic development impact of each dollar awarded. The projects enumerated under these provisions should make application to DOD for consideration based on the established criteria of the development fund.

73. Wisconsin Development Fund — Small Business Set-Aside
Section 3457c

This provision requires the Development Finance Board to award not less than 25% of the funds appropriated biennially for the Wisconsin development fund to

projects that are eligible for development fund grants and loans and that are entered into by businesses that, together with all of their affiliates, subsidiaries and parent companies, have no more than 100 employees and no more than \$10,000,000 in current gross annual sales.

I am vetoing this provision because the set-aside is too rigid and does not provide any flexibility for adjustments during the biennium. While I strongly support the intent of this provision, the set-aside adopted by the Legislature would not allow the funds allocated to small businesses to be reallocated to other projects if sufficient small-business projects are not approved. Such a situation could lead to the approval of poor projects or the lapse of funds that could have been used to fund other projects.

I have worked closely with DOD in identifying ways to target development fund awards towards small businesses as well as distressed areas. This budget includes many of my recommendations for making the development fund more responsive to the areas of the state most in need of economic development assistance. In addition, I have retained the provision recommended by the Legislature requiring DOD, in cooperation with the Development Finance Board, to actively encourage small businesses to apply for grants and loans by ensuring that there are no undue impediments to their participation and by assisting small businesses in preparing their applications. Furthermore, I am requesting DOD to work with the Development Finance Board to establish funding goals for development fund awards to small businesses. Establishing a goal for small-business assistance will enable DOD and the Development Finance Board to prioritize the limited financial resources of the development fund while at the same time ensuring that the development fund remains responsive to the changing business development needs of Wisconsin.

74. Wisconsin Development Fund — Criteria for Targeted Area Awards
Section 3455

This section contains a provision that requires the Development Finance Board to determine that a project will be located in an area that meets at least four of seven criteria before being designated as a project located in a targeted area.

I am vetoing this provision because it is too restrictive and does not provide the board the discretion to weigh the severity of conditions in distressed areas when designating a project as being located in a targeted area. I proposed the statutory criteria to give the Development Finance Board the flexibility to target development fund awards to areas of the state that are economically distressed or experiencing the onset of an economic downturn. To require the board to wait until an area meets at least four of the seven measures of distress before designating an area as targeted could severely limit the funding opportunities for projects locating in

communities that are experiencing the beginnings of an economic downturn. My veto retains the statutory criteria that the board must consider when designating targeted areas as well as the authorization for the board to provide more favorable terms to projects locating in targeted areas.

75. Wisconsin Development Fund — Targeted Area Revolving Loan Fund Grants

Sections 251 [as it relates to s. 560.145] and 3435r

These provisions authorize the Department of Development (DOD) to make grants from the Wisconsin development fund to municipalities for the purpose of establishing revolving loan funds. A revolving loan fund established under these provisions is required to provide or guarantee loans for projects that will be located in a targeted area within the boundaries of the municipality.

I am vetoing section 3435r and partially vetoing section 251 because providing funding to municipalities for this purpose duplicates the purpose of existing DOD programs. Furthermore, the purpose of the development fund is to provide funding for specific projects that demonstrate the potential for job creation and retention. Providing funds to municipalities to establish revolving loan funds would not ensure that the funds provided would result in the creation and/or retention of jobs.

I am sensitive to the economic development needs of communities experiencing economic distress. During my first term as Governor, Wisconsin's Development Zone program was enacted establishing Wisconsin as a leader in finding creative solutions to the development problems faced by communities in distressed areas of the state. In addition, my budget included, and the Legislature adopted, the creation of a new \$5 million Targeted Development Loan Guarantee program that will create incentives for businesses to locate or expand in economically distressed communities. Moreover, the Legislature adopted the modifications I proposed to the Wisconsin development fund which will for the first time provide the Development Finance Board the authorization to target development fund grants and loans to communities facing high unemployment, significant layoffs, declining incomes and property values and increasing Aid to Families with Dependent Children (AFDC) caseloads. This budget also provides approximately \$1.8 million biennially for DOD's Community-Based Economic Development program that provides grants and technical assistance to businesses, entrepreneurs and communitybased economic development organizations in distressed areas.

The record illustrates my commitment to assisting communities facing economic hardships. Redirecting funds away from established programs to support municipality-based revolving loan fund programs would duplicate and dilute programs already in place to assist these communities.

76. Wisconsin Development Fund — Seed Capital Fund Program
Sections 86n, 251 [as it relates to s. 560.195], 257 [as it relates to s. 560.195], 3441x and 9115 (6h) and (6j)

These provisions establish a Seed Capital Program Board attached to the Department of Development (DOD) and authorize DOD to establish a Seed Capital program to assist new firms in the early stages of their operation by providing direct investment funding, equity financing or subordinated debt financing. The funding for the program is from the Wisconsin development fund appropriation and may not exceed \$1.5 million GPR in fiscal year 1991-92 and \$2.0 million GPR in fiscal year 1992-93.

I am vetoing sections 86n, 3441x and 9115 (6h) and (6j) and partially vetoing sections 251 and 257 to eliminate the authorization for the Seed Capital program because DOD is contracting with a private sector fund manager to establish a privately-funded seed capital fund. In addition, the creation of another board to oversee development fund awards is unnecessary and would fragment the administration of the fund. Applications for seed capital funding should be submitted to DOD for evaluation under the existing development fund criteria by the Development Finance Board.

77. Wisconsin Development Fund — Uniroyal Training
Section 9115 (1ng)

This provision authorizes the Department of Development to make grants totalling not more than \$250,000 from the Wisconsin development fund for the purpose of providing labor training for workers affected by the Uniroyal plant closing.

I am vetoing this provision entirely. I included this provision as part of my budget; however, the Legislature transferred the funding for the Uniroyal worker training to the Dislocated Worker program administered by the Department of Labor, Industry and Human Relations (DILHR). My vetoes retain the funding for the Uniroyal workers in DILHR. I am vetoing the development fund authorization because it is duplicative and unnecessary.

78. Wisconsin Development Fund — Biennial Finance Plan
Sections 3461r and 3461t

These sections require the Department of Development (DOD) to develop and submit, for approval, to the Development Finance Board a biennial finance plan for awarding grants and loans from the Wisconsin development fund. DOD is required to set specific goals in the biennial finance plan for awarding grants and loans from the development fund to businesses that are owned by women and to incorporate in the plan steps to implement those goals. DOD is also required, in cooperation with the Development Finance Board, to actively encourage small businesses to apply for

development grants and loans from the development fund by ensuring that there are no undue impediments to their participation and by assisting small businesses in preparing grant and loan applications.

I am vetoing section 3461t and partially vetoing section 3461r to remove the provisions requiring DOD to develop a biennial finance plan because the requirement is unnecessary. DOD is currently developing, for approval by the Development Finance Board, a biennial finance plan that will establish funding priorities for development fund awards. My partial veto retains the requirements for DOD to ensure that there are no undue obstacles to small business participation in the development fund program and to assist small businesses in applying for grants and loans from the Wisconsin development fund. In addition, I am requesting DOD to incorporate goals for awards to small businesses into the development fund biennial finance plan.

79. Wisconsin Development Fund — Trade Secret Identification Requirement
Sections 3461v and 9136 (2x)

These provisions require the Development Finance Board to require every applicant for a grant or loan from the Wisconsin development fund to identify on its application the portions of the application that contain information that qualifies as a trade secret, as defined in s. 134.90 (1) (c). In addition, the Legislative Audit Bureau is requested to conduct a performance evaluation by January 1, 1993 of the application process for grants and loans from the development fund to determine if the identification of trade secrets by applicants increased public access to the application contents and protected the trade secrets of the applicants.

I am vetoing these provisions because they are unnecessary and may discourage participation in the development fund program. The Department of Development has established a system for ensuring that applicants for development fund grants and loans identify the information in their application that contains information that qualifies as a trade secret as defined in s. 134.90 (1) (c).

80. Minority Business Development Fund Earmark
Sections 255 [as it relates to s. 9115 (1jn)] and 9115 (1jn)

These provisions require the Department of Development (DOD) to make a grant of not more than \$100,000 to the Northwest Side Community Development Corporation in Milwaukee to establish a fund for making loans to and investments in businesses that use the services of the Corporation. Funding for the grant is provided from the minority business development fund appropriation. I am vetoing section 9115 (1jn) and partially vetoing section 255 because the enumeration of this project usurps the authority of the Minority Business Development Board to evaluate and make funding decisions based on established statutory criteria. The Northwest Side Community Development

Corporation should apply for funding through the established applications procedures for existing DOD programs.

81. Women's Business Initiative Corporation Grant
Section 9115 (4h)

This provision authorizes the Department of Development to make grants of not more than \$125,000 GPR in fiscal year 1991-92 and not more than \$125,000 GPR in fiscal year 1992-93 to the Women's Business Initiative Corporation's revolving loan fund. The fiscal year 1992-93 grant is subject to approval by the Joint Committee on Finance. I am partially vetoing this provision to eliminate the prior approval of the Joint Committee on Finance for the fiscal year 1992-93 grant because this provision is unnecessary and could delay funding for the project.

82. Day Care Financing Programs
Sections 216 [as it relates to s. 20.143 (1) (fr) and (jr)], 256g, 258g, 3026m and 3441y

These provisions authorize \$200,000 GPR annually and establish a day care financing program in the Department of Development to provide lowinterest loans to group day care centers and to provide grants and lowinterest loans to family day care centers for the purpose of increasing the opportunities of day care for children in Wisconsin. I am vetoing these provisions to eliminate the funding and authorization for the program. The Department of Health and Social Services is allocating approximately \$2.86 million in federal funding during the 1991-93 biennium for start-up, expansion or improvements of day care facilities. It is unnecessary to commit new GPR funds for day care financing when substantial federal funding is available for this purpose.

83. Nurse-Midwife Loan Assistance Program
Sections 216 [as it relates to s. 20.143 (1) (fc), (fd) and (jL)], 254c, 254d, 258c, 3441s and 3441t

These provisions provide \$150,000 GPR in fiscal year 1991-92 and establish a nurse-midwife loan assistance program administered by the Department of Development to provide educational loan repayments of up to \$25,000 to nurse-midwives who agree to practice in this state in a medical shortage area, in an obstetrics shortage area, in an area health education center program, on an American Indian reservation or on trust lands of an American Indian tribe.

I am vetoing all provisions related to the establishment of this program because this issue warrants further study. There are many barriers to the practice of nurse-midwifery in Wisconsin, including the lack of educational training programs for nurse-midwifery, the lack of access to hospital delivery privileges and the difficulty in obtaining liability insurance for the practice of nurse-midwifery. It is not clear that a loan repayment program alone is a sufficient inducement to overcome the barriers faced by nurse-midwives nor is it clear that a loan repayment program is the best means of addressing

the problem of access to prenatal and delivery services in Wisconsin's medical shortage areas. Therefore, I am requesting the Rural Health Development Council to study the problems relating to access to prenatal care and delivery services in Wisconsin, including whether a loan repayment program for nurse-midwives would assist in improving access.

84. Indian Business Development Programs
Sections 216 [as it relates to s. 20.143 (1) (df) and (di)], 252i, 3463m and 9115 (5e)

These provisions: (a) require the Department of Development (DOD) to make an annual grant of \$50,000 GPR to the Great Lakes Inter-Tribal Council (GLITC) to fund a technical assistance program established by GLITC; (b) require DOD to grant \$200,000 GPR in this biennium to GLITC to capitalize a development finance revolving loan fund to be established by GLITC and managed by a GLITC-appointed development finance board; (c) authorize the GLITC-appointed development finance board to make development financing loans and early planning grants from the development finance revolving loan fund. DOD's authority to make grants for the capitalization of the development finance revolving loan fund extends to June 30, 1995.

I am partially vetoing these provisions to eliminate the \$50,000 GPR provided in fiscal year 1992-93 under s. 20.143 (1) (df) for the technical assistance grant. It is my intent that the funding to assist the Great Lakes Inter-Tribal Council establish a technical assistance program be one-time funding rather than an ongoing appropriation. Vetoing the \$50,000 in fiscal year 1992-93 will leave intact the authorization and the funding for a grant of \$50,000 in fiscal year 1991-92. In addition, I am vetoing entirely the \$200,000 GPR funding provided under s. 20.143 (1) (di) in fiscal year 1992-93 and the authorization for DOD to make a grants to GLITC for the establishment of a development finance revolving loan fund. Because I am vetoing the revolving loan fund provisions, I am also vetoing the authorization for GLITC to use the revolving loan fund to make development financing loans and early planning grants from the revolving loan fund.

I am vetoing or partially vetoing these provisions because providing long-term support to GLITC for the establishment of GLITC economic development programs is not the appropriate role of state government. The state should make every effort to facilitate and encourage job creation and job retention on and around reservations. However, the best way to accomplish this is by ensuring that existing state programs offer equal access to American Indians and American Indian-owned businesses. Therefore, my vetoes retain one-time funding to facilitate the establishment of a reservation-based technical assistance program as well as the provision requiring the DOD to review all state economic development programs to determine whether tribal governing bodies and Indian-owned businesses are

eligible for the assistance offered under the programs and whether there are any obstacles or barriers to Indian participation in Wisconsin's economic development programs. DOD will recommend legislation, as needed, to make existing state economic development programs fully available to tribal governing bodies and Indian-owned businesses. In addition, my vetoes retain the project position provided to DOD to assist in the review of existing economic development programs and to work actively with GLITC and Indian-owned businesses to improve the participation of Indians in DOD programs.

Many positive steps have been taken to address the economic development needs on reservations and all of northern Wisconsin. DOD has designated four development zones in northern Wisconsin including two on Indian reservations. The designation of these zones will spur investment and encourage job creation and retention in these areas. Recent legislation has provided additional funding for northern Wisconsin tourism promotion, loans and grants to Indian-owned businesses, agricultural diversification grants, technical assistance grants and the tourism development loan guarantee program administered by the Wisconsin Housing and Economic Development Authority (WHEDA). In addition, this budget creates a new \$5 million Targeted Development Loan Guarantee program in WHEDA and modifies the criteria of the Wisconsin development fund to allow the Development Finance Board to target development fund grants and loans to areas, such as reservations, facing economic hardships. I encourage tribal governing bodies and Indian-owned businesses to apply for funding under these programs and I am directing DOD to assist the tribal-governing bodies and Indian-owned businesses in preparing applications for funding under existing state economic development programs.

85. Commercial Fishing Compensation Program

Sections 216 [as it relates to s. 20.143 (1) (f)], 254p and 3435m

These provisions provide \$110,000 GPR annually for the Department of Development to establish a program to provide compensation to not more than six commercial fishing licensees who on July 1, 1991, hold valid licenses under s. 29.33 that authorize commercial fishing of whitefish in Lake Superior.

I am vetoing these provisions to eliminate the funding and authorization for the Commercial Fishing Compensation Program. The Attorney General has determined that since the commercial fisher has no vested property right in a particular allocation of fish, the state has no duty to provide compensation when that allocation is diminished in the interests of resource conservation. I am, however, retaining the Wisconsin Housing and Economic Development Authority (WHEDA) loan program provided for in this budget, which will allow fishers to obtain loans of up to \$100,000 for purchase of trap nets.

I realize that the Department of Natural Resources (DNR) rules, which limit whitefish fishing to further the recovery of lake trout, have caused economic hardship for certain commercial fishers on Lake Superior. Therefore, I am requesting that the Lake Superior Commercial Fishing Board and the DNR take several actions, with a goal of minimizing economic hardship, increasing the whitefish harvest, and protecting the lake trout population.

I am requesting that the Lake Superior Commercial Fishing Board allow for permanent transfer (in addition to the annual transfer) of lake trout tags, to allow for long-term planning and investment decisions. I am also requesting that the board reallocate lake trout tags/net footage restrictions on the basis of commitment, investment, and need, rather than the current across-the-board allocation. Those fishers who depend on fishing for their livelihood, rather than hobby fishers, should have top priority in receiving tags.

I am requesting that the DNR evaluate and strengthen the minimum criteria for relicensing commercial operators and reallocate any unused sports fishery quota to commercial fishers. I am also requesting that the DNR evaluate whether certain areas currently closed to trap net fishing can be reopened to allow increased whitefish harvest and that DNR evaluate and refine the current trap net regulations to allow increased whitefish harvest while protecting the lake trout fishery.

86. Joint Effort Marketing

Sections 259 [as it relates to the \$200,000 minimum for matching funds under s. 560.29] and 9415 (3z)

These provisions require the Department of Development (DOD) to allocate a minimum of \$200,000 GPR from the tourism marketing appropriation annually to the Joint Effort Marketing (JEM) program. I strongly support the JEM program and have no objection to DOD allocating this sum or more to the JEM program in each fiscal year. I am, however, vetoing the minimum spending level requirement because it is inappropriate to restrict DOD's spending authority in this manner. The result of this veto will be an increase in the funding for the tourism marketing appropriation with no additional restrictions on its use.

87. Tribal Community Relations Councils

Sections 31m, 33m, 259 [as it relates to American Indian tourism promotion], 259c, 3451m and 9123

These provisions create five Tribal and Community Relations Councils in the Governor's Office. These councils are to make recommendations to local and state governing bodies concerning improved relations between American Indians and non-Indians and also make recommendations to the Department of Development (DOD) regarding the expenditure of \$75,000 GPR annually for each council from the tourism marketing appropriation. The provisions also direct DOD to work with the Great Lakes Inter-Tribal Council (GLITC) to promote American Indian tourism.

These provisions duplicate programs and policies already in place and add nothing new. On July 2, 1990 I created, through Executive Order #101, five Governor's Committees on Area Promotion with the same duties as the five Tribal and Community Relations Councils. These provisions merely put those existing committees into law. Further, DOD regularly consults with American Indian groups concerning the expenditure of tourism promotion funds. The mandate that each council is responsible for recommendations concerning \$75,000 GPR is overly restrictive. Lastly, a priority function of the DOD Tourism Division is to work with a wide range of groups to promote tourism in Wisconsin. These provisions merely mandate that DOD perform its normal functions. I am vetoing these provisions because they are redundant, accomplish nothing new and merely serve to make existing programs less flexible.

88. Local Tourism Information Funding
Sections 258p, 258r, 9115 (3m) and (3p) and 9415 (3g)

These provisions direct the Department of Development (DOD) to use the tourism program operations funds of its Tourism Division to make annual grants of \$15,000 GPR each to support staffing at the Florence County Natural Resources/Outdoor Adventure Center and to fund operating expenses at the Kewaunee Tourist Information Center. I am vetoing these grants for two reasons. First, the tourism program operations appropriation funds the day-to-day activities of the Division of Tourism. Diverting funds to other uses would significantly reduce the division's management and operations capabilities. Second, these particular projects are more appropriately funded with local resources. Approving either of these grants would set a precedent the state could not afford to meet if other communities in the state choose to establish similar centers.

89. Poniatowski Tourist Site Designation
Section 3451w

This section requires that Poniatowski in Marathon County be designated an "official tourist attraction" and included in promotional materials prepared by the Department of Development (DOD).

I am vetoing this provision because DOD maintains no designation of an "official tourist attraction," making the entire requirement unworkable. Furthermore, a primary function of DOD is to perform such marketing services for the many Wisconsin communities requesting them. If residents of the area wish to market the attractions of their area, I strongly encourage them to apply to DOD for consideration under the Joint Effort Marketing program and/or inclusion in marketing brochures produced by DOD.

90. Big Top Chautauqua Grants
Sections 216 [as it relates to s. 20.143 (2) (cm)], 261m, 261n, 9115 (3rj) and 9415 (4g)

These provisions appropriate \$15,000 GPR in each year for a grant to Bayfield County for Big Top Chautauqua. The funds would be used for the production of concerts, plays, lectures or other cultural or educational events.

I am vetoing these provisions because these events should compete with other similar state cultural events for funding from the Tourism Division through the Joint Effort Marketing program or other advertising programs operated by the Department of Development. While I am supportive of the efforts of the Big Top Chautauqua and not adverse to providing funds for the project, to identify a single program for funding in this manner deprives other programs of access to these funds.

91. Composition of the Council on Tourism
Sections 87c and 9115 (2x)

Section 87c increases the size of the Council on Tourism from 13 to 14 members and requires that at least one council member, specifically the newly appointed member, be a resident of a first class city.

I support expanding the council's membership, but I am vetoing the portion of this provision that requires at least one member be a resident of a first class city because it is unnecessary. Currently, one member of the council is a resident of Milwaukee and another is a resident of a Milwaukee suburb.

Section 9115 (2x) specifies that the new council member be a resident of a first class city and be appointed for a term expiring on July 1, 1994. I am partially vetoing this provision to remove the requirement that the new member be a resident of a first class city because it is not necessary. Milwaukee's interests are represented on the current council's appointments and I do not see any need to create a residency requirement for one member of the council.

92. Economic Development Potential of the Arts
Sections 216 [as it relates to s. 20.143 (1) (fh)], 254m and 9115 (2w)

These provisions appropriate \$75,000 GPR in fiscal year 1991-92 for the Department of Development to fund a contract to study the economic development potential of the arts. This study is to prepare an inventory of cultural facilities and institutions, conduct interviews with representatives of civic and arts organizations to determine additional resources needed to promote the arts, and recommend ways to involve the public and private sector in promotion of the arts. I am vetoing these provisions because they represent an inappropriate use of state funds given the state's fiscal constraints.

93. Legislative Council Study on Tourism
Section 9136 (1g)

This section requests the Legislative Council to study the effects of discontinuing the car ferry between Ludington,

Michigan and Kewaunee, Wisconsin, on tourism and agribusiness in this state. I am vetoing this request for a study because it is unnecessary. A private firm has purchased the ferry and has plans to restore service to Wisconsin, making this study unnecessary.

94. General Transportation Aid
Sections 2186c and 2187c

These provisions increase the mileage aid payments to counties or municipalities from \$1,000 per mile to \$1,100 per mile in calendar year 1992 and \$1,200 per mile in calendar 1993. These increased mileage aid payments are funded by increasing the total funding available for transportation aids.

I am partially vetoing these provisions because the mileage aid increase is exorbitant. These increases represent 10% and 9% annual increases respectively, which is greater than recent inflation rates and far above what has been made available for other state aid programs. This would be in addition to the \$20 million SEG made available to local units of government through my Local Roads Improvement program which is part of this budget. I am using the digit veto to reduce the calendar year 1993 and thereafter mileage aid figure to \$1,100. This will result in a \$1,100 per mile aid figure for calendar year 1992 and thereafter which is still above my original recommendation. I have also used the digit veto to produce a calendar year 1993 and thereafter aid appropriation of \$244,514,700. This is a \$4,000,000 reduction, half of which will lapse to the Transportation Fund in fiscal year 1992-93 and the other half of which will represent a savings in the next biennium. I am requesting the Department of Administration Secretary to place \$2,000,000 SEG in fiscal year 1992-93 in unallotted reserve in appropriation s. 20.395 (1) (aq) to lapse to the transportation fund at the end of the biennium.

95. Mass Transit Funding and Formula Changes
Section 2174e, 2174h, 9355 (3y) and 9455 (2y)

These provisions increase the percentage of projected operating expenses of eligible mass transit systems that will be reimbursed with state aid from 38.5% to 42% in calendar year 1992 and to 42.5% in calendar year 1993.

While I am signing an increase in the state share of transit costs from 38.5% to 42% in calendar year 1992, I am vetoing the further increase to 42.5% in calendar year 1993. This action reduces estimated state outlays for operating assistance by \$186,300 in this biennium, but in the future will save about \$745,100 on an annualized basis based on current estimates of 1993 costs. The increase to 42.5% is unnecessary at this time.

The Clean Air Act has significantly increased the state interest in what has always been considered a local service. Yet, it is becoming increasingly clear that perpetually increasing the state share of existing transit costs alone is not a sufficient answer to improving transit services in the state.

My transportation budget proposals included innovative ideas to improve transit services and their efficiency through a flexible program to test new concepts and an increased commitment to improving the costeffectiveness of existing transit services. It was disappointing that the Legislature did not respond to these needs.

I am reluctantly accepting the increase to avoid negative impacts on transit riders at a time when transit services will be assuming an increasing importance as part of the state's plan to improve air quality. I have agreed to the increase in state support only upon receiving assurances from the major urban areas that they will not reduce their financial support for transit and will use some of the increased funding for service improvements to the extent possible.

Further increases in state funding above the level required to maintain the commitment to the 42% state share should not be expected in the future. I am most interested in ways to target transit resources toward service improvements. Transit interests, organized labor, local officials, and the Legislature will have to work with my administration in the near future to find more creative ways to make transit work for more of our citizens.

As a result of this veto, I am requesting the Department of Administration Secretary to place in unallotted reserve \$186,300 SEG in appropriation s. 20.395 (1) (bq) in fiscal year 1992-93 to lapse to the transportation fund at the end of the biennium.

96. Milwaukee County Transit Surveillance
Sections 216 [as it relates to s. 20.395 (1) (vc)], 398ar and 2177m

These provisions appropriate \$315,000 GPR in fiscal year 1991-92 for a grant to Milwaukee County to purchase and install video surveillance equipment on county-owned mass transit system buses.

I fully support enhancing rider security on mass transit systems. However, security systems of this type are eligible for federal funding from the Urban Mass Transportation Administration (UMTA) on a matching basis. Federal UMTA funding is available to cover 80% of project costs with local matching funds to cover 20%. Since this is a capital cost that should be borne at the local level, I am vetoing these provisions because they are an inappropriate use of state general purpose revenues. I encourage Milwaukee County to seek UMTA matching funds to assist in upgrading their transit system surveillance.

97. Light Rail Transit Studies
Section 9155 (3ug)

This provision authorizes \$3,000,000 SEG in fiscal year 1991-92 for light rail planning and location studies subject to release from the Joint Committee on Finance appropriation under certain conditions. Within 90 days of the effective date of this Act, the Department of Transportation (DOT) is required to submit a detailed

report identifying specific uses and plans for spending these funds. This provision further specifies in detail the subject matter to be included in the report. Once the report is made to the Joint Committee on Finance and the funds are released, this provision further specifies requirements to be met by the eventual study to be produced with the funds.

A major element of a light rail transit system planning process is an "alternatives analysis" which will be completed as part of the application requirements for federal funding. The requirements of this analysis are more than adequate to ensure a thorough study of light rail in Milwaukee. Further, the 90-day deadline specified is inappropriate, since the department will not have full, detailed plans completed in this timeframe, when an initial funding request to begin the light rail study will be required. For these reasons I am partially vetoing this section to eliminate the 90-day deadline for this report and to eliminate the specific requirements for the report as well as the study itself.

98. Southeastern Wisconsin Regional Planning Commission Land Use Study
Section 9155 (4h)

This provision requires the Department of Transportation (DOT) to allocate \$70,000 SEG in fiscal year 1991-92 to the Southeastern Wisconsin Regional Planning Commission to fund a study to identify actions necessary for implementation of the regional land use plan adopted by the Commission.

I am vetoing this provision because it is inappropriate to earmark a specific dollar figure for an individual planning study. While I have no objection to the department participating in such a study, discretion regarding the content and funding levels should be left to the Department of Transportation Secretary.

99. Local Roads Improvement Program Contracting
Section 2201m [as it relates to administration of highway construction projects]

This provision requires that all projects funded under the Local Roads Improvement program be under the supervision and control of political subdivisions. This language gives individual counties the choice of contracting out road work or performing road work themselves. It is contrary to the original intent of my Local Roads Improvement program, which was to have most of the work done by the private sector, with exceptions crafted by the department by rule. While I have no objection to counties performing some portion of this work, I cannot accept language that would permit all work under this program to be performed by the public sector. I am, therefore, partially vetoing this section to require all projects funded under the Local Roads Improvement program to be under contracts. Further, I am requesting the Department of Transportation Secretary to develop a proposal for separate legislation permitting the Department of

Transportation to make limited exceptions to this contracting requirement.

100. Local Roads Improvement Program Feasibility Studies
Section 2201m [as it relates to feasibility studies]

This provision provides that 100% of eligible costs of highway construction project feasibility studies may be reimbursed under the Local Roads Improvement program. All other improvements under the Local Roads Improvement program may receive reimbursement of not more than 50% of eligible costs.

Reimbursing 100% of feasibility study costs removes incentives for local governments to limit studies to high priority projects. This creates a potential for abuse. I am partially vetoing this provision in order to make feasibility studies eligible for reimbursement on the same basis as other projects under my Local Roads Improvement program.

101. Local Roads Improvement Program Funding Allocation
Section 2201m [as it relates to the annual allocation of funds]

This section requires that the sum appropriated for the Local Roads Improvement program be allocated annually. The distribution of the \$10 million SEG appropriation to all counties and local units of government on an annual basis would result in some recipients receiving sums too small to fund significant road improvement projects. I am, therefore, vetoing the provision of this section that requires the Department of Transportation (DOT) to annually allocate the funds. This partial veto will allow DOT to distribute funding for the program over the biennium and permit recipients to combine aid proceeds for both years of the biennium in order to fund larger local road improvement projects.

102. Local High Cost Bridge Projects
Sections 2163m, 2163n, 2163p and 2163q

These provisions extend from June 30, 1993 to June 30, 1995 the period of eligibility for a temporary state/local cost-sharing of certain state bridge projects. The temporary cost sharing eligibility period was created to provide additional assistance to local units of government for two specific projects in Sheboygan and Milwaukee.

Only a binding agreement between the state and local governments accepting the cost sharing arrangement needs to be achieved prior to the sunset date. Construction may occur at a later time. I see no reason that this agreement cannot be reached prior to June 30, 1993. I am, therefore, vetoing the provisions that would extend this time period with the intent that the state share of these project costs will revert back to the normal percentages on July 1, 1993.

103. Legislative Council Study of Transit Alternatives
Section 9136 (6p)

This provision requests the Legislative Council to study transit alternatives that would ensure compliance of the southeastern region of the state with the requirements of the federal Clean Air Act and any federal regulations issued under that act.

I am vetoing the request for this study because it is unnecessary. Compliance with the federal Clean Air Act is already a high priority concern for the Departments of Transportation and Natural Resources and other state agencies which have jointly established an interagency task force to address the issue. I have encouraged these efforts and am confident that the responsible agencies will ensure compliance with all the relevant federal regulations. A Legislative Council study would be redundant and waste valuable resources studying what is already being done by the various state agencies charged with this responsibility.

104. Earmark Interstate Cost Estimate Funds for Clean Air Act
Section 2158r

This provision requires that all federal money allotted to Wisconsin in relation to the inclusion of a Milwaukee County transit-way project in the Interstate Cost Estimate be expended to further compliance of the southeastern region of Wisconsin with the requirements of the federal Clean Air Act.

I am vetoing this provision because it would commit a very large sum of money — at least \$265 million in 1989 constant dollars — to a use which will not be fully defined until the submission of the State Implementation Plan (SIP) scheduled for November 1992. The SIP will lay out what action Wisconsin will take to meet the requirements under the federal Clean Air Act. The requirement is also vague in defining what constitutes furthering compliance with the federal Clean Air Act. At the appropriate time, the Department of Transportation Secretary will prepare a complete plan for the expenditure of funds received as a result of the Interstate Cost Estimate procedure. It is highly likely that this plan will include work associated with the federal Clean Air Act.

105. Rhinelander-Oneida County Airport Expansion Study;

Sections 398m [as it relates to the airport expansion study], 2358m [as it relates to the airport expansion study] and 9155 (5g)

These provisions require the Department of Transportation and Department of Development to conduct a joint study of the feasibility of expanding the Rhinelander-Oneida County Airport to accommodate international flights. DOT is directed to allocate \$50,000 SEG in fiscal year 1991-92 from the local airport development appropriation for the study.

I am vetoing this provision because it is an imprudent use of state funds. I remain a staunch supporter of efforts to promote Wisconsin tourism, but even without the benefit of a study, it is apparent that an expansion of the Rhinelander-Oneida County airport to handle international flights of the heavy aircraft contemplated would cost in excess of \$10 million and perhaps as much as \$20 million. Due to its location, size and current traffic it is unlikely that this project would be eligible for federal funds. Moreover, the availability of state funds for a project of this magnitude is highly unlikely. As a result of this veto, \$50,000 SEG will be available for other local airport development projects of a higher priority.

106. Timmerman Field Instrument Landing System
Section 9155 (4j)

This provision requires Milwaukee County to apply for state and federal funds to plan for a runway extension and instrument landing system at the Lawrence J. Timmerman Airport in Milwaukee County. It also requires the Department of Transportation (DOT) to consider this application before it proceeds with other new airport development projects in fiscal year 1992-93.

DOT has established a priority system to allocate airport improvement funds on a competitive basis. I am partially vetoing the language requiring DOT to give priority consideration to Milwaukee County's application because it inappropriately circumvents the established application and selection process. The effect of this veto is to retain the requirement that Milwaukee County apply for the state aid but to require DOT to consider that application on an equal basis with other similar applications.

107. Milwaukee Airport Promotion
Section 398m [as it relates to airport promotion], 398n, 2358m [as it relates to airport promotion], 2358n, 2358p and 9455 (5g)

These provisions require the Department of Transportation Secretary to make a grant each year from the local airport development appropriation to General Mitchell International Airport. Of the \$50,000 SEG grant, \$37,500 is to be used to promote the use of the airport and \$12,500 is to be used in a direct mail marketing campaign in northern Illinois.

While marketing General Mitchell International Airport is a laudable goal, it is not appropriate to use the transportation fund as a source of advertising money. A more appropriate source would be revenue generated by the airport itself which would have to be authorized by Milwaukee County. This added draw on the transportation fund would only serve to detract from the projects already funded through the local airport development appropriation. I am, therefore, vetoing these provisions. This veto will retain these funds for the local airport development appropriation.

108. Office of the Commissioner of Transportation
*Sections 216 [as it relates to s. 20.395 (7) (aq)]
 and 9136 (1d)*

These provisions fund the Office of the Commissioner of Transportation (OCT) at the base level, and request the Legislative Council to study the responsibilities of the OCT, to make recommendations on the elimination of the OCT and, if warranted, to transfer selected duties to other state agencies.

I have repeatedly recommended that the OCT be eliminated and its required functions transferred to other state agencies. The regulatory functions of the OCT are, in large part, no longer necessary, especially now that the transportation industry is deregulated. I am vetoing the OCT's entire fiscal year 1992-93 appropriation so as to cause the agency's operations to cease on June 30, 1992.

The details concerning the transfer of the OCT's duties have already been studied several times, and I see no need for the Legislative Council to conduct yet another study. I am, therefore, vetoing the study request. Instead, I am requesting the Department of Transportation Secretary to review past studies and make a comprehensive set of recommendations regarding the transfer of OCT functions to other agencies. These recommendations for transfer will be included in separate legislation for consideration later during the January 1992 floor period.

109. Railroad Crossing Improvement and Protection
Section 216 [as it relates to s. 20.395 (2) (gq)]

This provision increases funding for the railroad crossing improvement and assistance program by \$4,000 SEG in fiscal year 1991-92 and \$69,900 SEG in fiscal year 1992-93. An amendment to provide this funding for anticipated inflation costs was included by the Joint Committee on Finance during budget deliberations.

I object to this provision because it is an overly generous use of state resources. I am vetoing this provision because the State of Wisconsin already provides a subsidy for purchase, installation and maintenance of railroad crossing signals which exceeds that of nearly any other state. In addition, I continue to be concerned that rail costs be a shared responsibility, given the safety and economic benefits that railroads receive from well-maintained crossings. By lining out the Department of Transportation's s. 20.395 (2) (gq) appropriation and writing in a smaller amount that deletes the increased funding of \$4,000 in fiscal year 1991-92 and \$69,900 in fiscal year 1992-93 for this purpose, I am vetoing the part of the bill which increases the funding for this provision. I am also requesting the Department of Administration Secretary not to allot these funds.

110. Utility Relocation
Section 2159 (m)

This provision establishes procedures and responsibilities governing the relocation of utility facilities when required due to a highway improvement project.

I am in general agreement with the intent of these provisions, but I feel that they are unclear in two respects. I am partially vetoing the language of s. 84.063 (4) (a) in order to clarify that utility owners will be reimbursed by the Department of Transportation for any additional relocation or adjustment work required due to changes in highway improvement plans. I am also partially vetoing the language of s. 84.063 (4) (b) in order to make clear that highway project contractors are responsible for any damages negligently caused to a utility facility at any time and not only during the period of time the utility has been allowed to relocate or adjust its facilities.

111. Fringe Benefits Paid by Contractors
Sections 2333am, 2333b, 2333c and 2333cm

These provisions require contractors that are subject to the prevailing wage law to provide information to the Department of Transportation (DOT) concerning fringe benefits paid to employes, provide a written detailed accounting of those fringe benefits to the employes and ensure that payroll information provided to DOT includes information regarding fringe benefits.

These requirements burden contractors with unnecessary additional paperwork and increase the costs of doing business with the state. This, in turn, increases the costs of highway work paid for by the residents of Wisconsin. Furthermore, this information can be accessed if needed in specific cases under current law. For these reasons, I am vetoing these provisions.

112. Grant to Town of Sanborn
*Sections 216 [as it relates to s. 20.395 (1) (au)],
 397m and 9155 (7i)*

These provisions appropriate \$170,000 SEG to the Town of Sanborn for a local road improvement project on Reykdal Road in Ashland County.

This project should be funded in a manner consistent with other local road improvement projects. This bill creates a Local Road Improvement program to assist counties and municipalities with projects of this type. The Town of Sanborn should look to that program for funding for this project. I do not support the enumeration of specific local road improvement projects in the budget bill. For that reason I am vetoing these provisions in order to remove both the funding and the authorization for this project.

113. East Wausau By-Pass Study
Section 9155 (10n)

This provision requires the expenditure of \$200,000 SEG for a feasibility study of an eastern bypass around the City of Wausau. The state funds are to be matched by \$200,000 in funds provided by unspecified sources in the local area.

The East Wausau bypass is a local issue that is generated by concerns about development in and around the Wausau area. Consequently it is not appropriate to

earmark state funding for a feasibility study of this project. The Wausau urban area receives federal funding which it has the discretion to use for local projects, including highway feasibility studies.

Furthermore, this budget bill creates a Local Roads Improvement program which will make available funds that may be used as reimbursement for such feasibility studies if they command sufficient support at the local level. The effect of this veto will be to cause the additional funding to remain in the transportation corridors study appropriation, which is a continuing appropriation, for use on other studies.

114. STH 145 Rehabilitation and Expansion

Section 9155 7w

This provision directs the Department of Transportation (DOT) to begin construction of additional lanes on a segment of STH 145 in Milwaukee County before December 31, 1991. If DOT acquires a parcel of commercial property in excess of six acres from a minority business, compensation in the form of adjacent property of equal or greater value must be provided. This compensation and the final construction plan must be approved by the Joint Committee on Finance prior to the start of construction. The Joint Committee on Finance may also modify the deadline for beginning construction.

While I support STH 145 highway improvements, I am vetoing these provisions because the conditions placed on the project set a bad precedent. Providing replacement property for land taken for highway right-of-way purposes could have far-reaching and dramatic effects which would inhibit the state's ability to construct highways. It is problematic that the acquisition of replacement property would qualify as a public purpose for which condemnation proceedings could be used. The cost of such a policy, based on the likely need to purchase the replacement property from a willing seller, could be staggering. Furthermore, DOT already has in place a policy which requires adequate compensation for condemnation of land for highway projects. A change in this policy at this time is not warranted or necessary. Since I am vetoing these provisions, Joint Committee on Finance action to modify the deadline for starting construction is no longer necessary. I am, therefore, vetoing that provision as well.

115. USH 14 Traffic Signals

Section 9155 6g

This provision requires that, if requested by the appropriate local government, the Department of Transportation (DOT) will install traffic control signals at the intersection of U.S. Highway 14 and County Trunk Highway "P" in the Village of Cross Plains, at the intersection of U.S. Highway 14 and State Trunk Highway 78 in the Village of Black Earth and at the intersection of U.S. Highway 14 and Broadhead Street in the Village of Mazomanie.

I am vetoing this provision because earmarking funds in this manner circumvents the DOT process for allocating traffic signal installation on a safety-based priority basis. The affected villages may apply for traffic signal funding through the regular DOT traffic signal program. It should be noted that my Mobility 2000 transportation budget recommended spending an additional \$1,000,000 SEG annually for traffic signalization, but the Legislature did not approve this funding.

116. Noise Barriers

Section 9155 5f

This provision directs the Department of Transportation to spend on noise barriers an amount equal to the difference between the amount spent on noise barriers in the 1989-91 biennium and \$4,000,000. This is in addition to the base amount of spending for this purpose in the 1991-93 biennium.

The base funding for the noise barrier construction program is \$2,000,000 SEG annually. Since the program funding is a continuing appropriation, any unencumbered funds in the 1989-91 biennium are available for expenditure in the 1991-93 biennium for noise barriers. It is standard DOT policy to allocate such funds to the same purpose for which they were originally intended. I am, therefore, vetoing this provision because it is redundant and unnecessary.

117. Increase Overweight Truck Penalties

Sections 3231m, 3231n, 3231p, 3231r and 9355 (9j)

These provisions increase the forfeiture to be paid by operators of nonagricultural vehicles for third, fourth and subsequent convictions for exceeding vehicle weight limitations. The intent is to address the situation in which the existing forfeiture amount is not an adequate deterrent to prevent some truck operators from consistently exceeding weight limitations.

While I agree that repeat offenders pose a significant problem for local governments, these provisions are not the solution. I am vetoing these provisions because, by failing to take into account the number of vehicles owned or operated by a firm, they will have a deleterious effect on large trucking operations with multiple vehicles. I am requesting the Department of Transportation Secretary to develop as soon as possible, in conjunction with affected parties, a comprehensive legislative proposal which will address the problem of repeat offenders without unjustly penalizing larger firms.

118. Mississippi River Parkway Commission

Sections 41c, 45c and 9160 (2)

These provisions specify the procedures to be followed in appointing representatives to the Mississippi River Parkway Commission. Section 41c requires that the two Senators and two Representatives to the Assembly be appointed in the same manner as members of standing committees are appointed in their respective houses and provides for bipartisan representation. Section 45c requires that eight members representing counties be

appointed for four-year terms by the Governor from lists supplied by the respective counties.

I am partially vetoing these provisions to give the Governor greater flexibility in appointing commission members. I am vetoing the requirement that the legislative members be appointed as are members of standing committees in their respective houses. The result will be to allow the Governor to appoint bipartisan representatives from each house. I am also vetoing the requirement that restricts the Governor to appointing the other eight members representing counties from lists provided by the respective counties. These lists will still be provided, but the Governor will no longer be restricted to them for appointments. I am also vetoing the requirement for staggered terms for the eight county members specified under Section 9160 (2) (c) because they fail to address the terms for the legislative members thereby making the provision incomplete and unworkable.

119. Personalized License Plates
Sections 3144dv, 3144e, 3144f and 9455 (5x) (a)

These provisions provide that beginning in fiscal year 1992-93 personalized registration plates may contain up to seven digits and specify that personalized registration plates having seven digits are not subject to the requirement that any letters or numbers be at least 3 inches high.

I am vetoing these provisions because no need has been shown for a seven-digit personalized registration plate and I am unwilling to support unnecessary legislation. Furthermore, the Legislature made no provision to reimburse the \$113,000 which the Department of Corrections would be required to spend for new equipment to manufacture these plates. This veto returns these sections to current law.

The department is currently evaluating options for license plate rebasing and redesign, due to my concerns with the proliferation of license plates. Any changes in plate design or structure should be included as a part of that initiative. Consequently I am directing the Department of Transportation to consider the expansion of digits as part of their comprehensive rebasing initiative, scheduled now for 1994.

COMMUNICATIONS

State of Wisconsin
 Department of State
 Madison

To Whom It May Concern:

Acts, joint resolutions and resolutions, deposited in this office, have been numbered and published as follows:

Bill or Res. No.	Act No.	Publication date
Assembly Bill 91	-----39	-----August 14, 1991

Sincerely,
 DOUGLAS La FOLLETTE
 Secretary of State

State of Wisconsin
 Department of State
 Madison

To Whom It May Concern:

Acts, joint resolutions and resolutions, deposited in this office, have been numbered and published as follows:

Bill or Res. No.	Enrolled No.	Publication date
Assembly Jt. Res. 2	-----10	-----Not published

Sincerely,
 DOUGLAS La FOLLETTE
 Secretary of State

PETITIONS

Assembly Petition 12

Submitted by 387 members of Notre Dame Parish of Chippewa Falls, in opposition to a municipal service fee for religious property.

By Representative Zien.

To committee on Ways and Means.

Assembly Petition 13

Submitted by approximately 2305 citizens of the state of Wisconsin in support of lowering the legal drinking age to 19.

By Representatives Zien and Swoboda.

To committee on Excise and Fees.