



STATE Senate Ninety–Se

6:30 P.M.

The Senate met.

The Senate was called to order by Brian D. Rude, President of the Senate.

LEAVE OF ABSENCE

Senator Jauch, with unanimous consent, asked that Senator Adelman be granted a leave of absence for the days session.

The roll was called and the following Senators answered to their names:

Senators Andrea, Breske, Buettner, Burke, Chvala, Clausing, Cowles, Darling, Decker, Drzewiecki, Ellis, Farrow, Fitzgerald, George, Helbach, Huelsman, Jauch, Lasee, Llean, Moen, Moore, Panzer, Petak, Plewa, Potter, Risser, Rosenzweig, Rude, Schultz, Weeden, Wineke and Zien – 33.

Absent – None.

Absent with leave – Senator Adelman – 1.

The Senate stood for the a moment of silent meditation.

The Senate remained standing and Senator Huelsman led the Senate in the pledge of allegiance to the flag of the United States of America.

REPORT OF COMMITTEES

The committee on **Senate Organization** reports and recommends:

Senate Resolution3

Relating to: creating a senate special committee on state and federal relations.

Introduction:

Ayes, 5 — Senators Ellis, Rude, Farrow, Jauch and Risser.
Noes, 0 — None.

SENATOR MICHAEL ELLIS

Chair

Read.

Considered as privileged and taken up.

The questions was: Adoption?

Adopted.

The Chair, with unanimous consent, appoints Senators Zien, Fitzgerald and Risser as delegates to escort the Governor to the Assembly Chambers.

ANNOUNCEMENTS AND REMARKS UNDER SPECIAL PRIVILEGE

Senator Andrea, with unanimous consent, asked to be made a coauthor of **Senator Bill 1**.

Senator Farrow, with unanimous consent, asked to be made a coauthor of **Senator Bill 1**.

The Senate proceeded in a body to the Assembly Chamber to meet in Joint Convention to receive the State of the State Message.

IN ASSEMBLY CHAMBER IN JOINT CONVENTION

The President of the Senate in the Chair.

The committee to await upon the Governor appeared with his excellency the Governor, who delivered his message as follows:

STATE OF THE STATE ADDRESS

President Rude, Speaker Prosser, members of the legislature; constitutional officers; honorable justices of the supreme court; tribal chairmen; members of the cabinet; distinguished guests;

I would also like to deviate for just a second and thank Tom Melvin who is going to retire at the end of January. Tom and I were roommates in college. I got the A's and he did the ... Tom congratulations.

This is the ninth time I have stood before you to deliver my state of the state address ... and I am proud to report that the state of the state is excellent.

One hundred years ago, America stood poised on the edge of a new century ... and Wisconsin was ready.

True to form, we did not tip-toe into the 20th century. We roared in brimming with new ideas, new inventions, and new priorities.

We made radical changes in state government ... changes that served as a model for the nation.

Workers' compensation ... environmental stewardship ... equal rights legislation for women ... Wisconsin was singled out as a trailblazer for the nation.

Well, times have changed ... but Wisconsin's role has not.

Just look around today. Headlines coming out of Washington ... headlines coming out of other states ... headlines about things we have already done in Wisconsin.

People feel good about the direction we are going in this state. They have confidence in our future.

This is not true for everyone.

In 1994, the voters spoke loud and clear. We saw an awakening of the american people ... a stirring that said we are fed up with government ... we have had it with all talk and no action.

People used to feel differently about government. they used to feel it was a part of them ... that they had a stake in it.

There was a time not long ago when people used to hang a picture of the president in their homes. remember that?

Most of us can probably remember our grandparents or our parents with a picture of F.D.R. or Ike on the wall. Nothing fancy, just a dime-store variety portrait, put out the way you'd put out a picture of a favorite aunt or uncle.

People did that because they felt they were a part of something. They felt the person in that picture represented them ... their values and their dreams.

They trusted government to deliver on its promises. They had confidence in the future.

Too many people in this country today believe the American dream no longer exists ... that it no longer applies for them.

Well, if you want to believe again ... take a look at wisconsin.

We don't just talk about change. We don't just talk about success. We make it happen.

- . When we say we are going to cut taxes ... we do it.
- . When we say we are going to reform welfare ... we do it.
- . When we say we are going to change education ... we do it.
- . When we say we are going to cut \$1 billion off the property taxes ... we do it.
- . When we say we are creating a new government for a new century ... we do it.

We follow bold words with bold deeds ... and people have confidence in us as a result ... they have confidence in our future.

Eight years ago I stood here and told you that we were going to turn this state around.

And we did it:

. Eight years ago I told you that jobs for Wisconsin was going to be my number one concern ... and we have created 450,000 new jobs since then. This is the largest sustained 8-year period of job growth in state history.

. When I came into office, people in Wisconsin were looking for work. Unemployment was more than 7%.

Today, companies are looking for workers. We have virtually full employment in Wisconsin today. There are more people working than ever before in our history.

. We are number one in the nation in creating manufacturing jobs... we are number three in creating construction jobs ... good-paying jobs for hard-working people.

. Eight years ago, I told you we were going to turn Wisconsin into a good place to do business. Our business climate at the time was ranked 46 out of the 50 states. Today we are in the top 10.

. I said we were going to seek opportunity around the globe. Wisconsin businesses at that time were exporting less than \$3 billion a year. This year we expect to export \$8.5 billion. That's almost a 300% increase.

. Eight years ago, I said we were going to protect our environment and build a strong economy at the same time. And we have. Last year I negotiated and signed an agreement protecting more than a thousand acres of scenic rock

formations along the Wisconsin river at the Dells. We have now preserved a total of 40,000 acres for posterity.

I also worked with Representative Johnsrud and Senator Rude to create the Kickapoo Valley Reserve, an idea that will succeed because it comes from real people ... determining their own future in a valley of broken federal promises.

Bold words, bold deeds.

Tonight, I am laying out my vision for the next four years. It is a bold vision ... one that will require bold actions.

But together we have shown the people of Wisconsin that when we talk about change in this chamber ... we make it happen. We deliver.

TAXES

Eight years ago I told you we were going to cut taxes in this state. And we did.

We cut the income tax ... we cut business taxes ... we eliminated the inheritance tax ... we eliminated the gift tax ... we kept the 60% exclusion of the capital gains tax ...

And thanks to cost controls, we have cut the growth of school property taxes from 11% ... to a record low of less than 1%

And in three weeks I will detail my plan to deliver the largest tax cut in state history ... the final step in tax relief for Wisconsin... \$1 billion off the property tax bills.

And we are going to do it without raising other taxes.

When I say a tax cut ... I mean it.

Raising other taxes is not tax relief. it's exactly what it says it is ... it's raising taxes.

We face a lot of hard work and a lot of tough decisions in the weeks and months ahead.

Not raising taxes is greeted by applause tonight in this chamber. I hope all of you remember this in the weeks and the months to come.

Not raising taxes means that programs many of you like will be reduced. Some will be gone.

We are no longer measuring government in dollars and cents. We are measuring it by what we accomplish ... by the opportunities we create.

This tax cut gives us a once-in-a-lifetime opportunity to completely re-design and re-define and re-focus what government is ... what it does ... and what it can do without.

We are ratcheting down on personnel and programs...

And we are gearing up on technology and service...

We are creating a government that is smaller a government that works better and spends less.

No other state has done this.

Bold words. Bold deeds. That's what Wisconsin is all about.

WELFARE

Eight years ago we said we were going to change welfare in this state.

And we did it.

No one was even talking about welfare reform when we started. Today, everyone is talking about it ... and talking about wisconsin as a leader.

Our welfare rolls are at their lowest level in fifteen years ... down 25% in the last eight years.

Wisconsin changed the dynamics of the welfare debate by laying down the very simple premise that if you accept a check from the state, you will accept certain basic responsibilities in return.

We made it clear that handing out money and expecting absolutely nothing in return is not public assistance. It is public apathy.

It is silent compliance with a system that discriminates against women and children ... that traps them in a life without hope ... and without a future.

Not anymore.

Tonight, we are completing the revolution ... we are completing the connection between welfare and work.

We are replacing the welfare check ... with a passport to a better future.

Tonight, I am announcing that we are moving the welfare division from our social services department to a new department of industry, labor and job development.

Welfare will no longer exist. It will no longer be part of the vocabulary.

Welfare is going to become a jobs program.

People on welfare want jobs ... they want the chance to prove themselves. And in so many areas of our state today, businesses are looking for workers.

I don't know about you ... it makes more sense to me to have private business paying people to work ... instead of the state paying them not to.

We are counting on the private sector to work with us ... to build a partnership for the future that will give people the chance to succeed.

And I am counting people like Dave Goettl and David Thornburg.

Dave Goettl is plant manager of Federal Foam Technologies in Ellsworth ... a company that is giving six welfare recipients the chance for an independent future.

David Thornburg is executive director of Brooke Industries in Fond du Lac ... a company that has already hired more than 50 AFDC recipients.

Gentlemen, thank you for your partnership.

Thank you for joining with me in seeing the same potential in a young mother who wants to build a better life ... in seeing the same hope in the eyes of someone excited about her future.

I am asking the Wisconsin business community to follow our lead.

I am asking Wisconsin to do what we do best ... show the way ... lead the way to a better tomorrow.

Bold words. Bold deeds.

EDUCATION

We said we were going to revolutionize education in this state ... and we have.

We created the first private school choice program in the country ... we have a school-to-work and youth apprenticeship program that is the model for the nation.

We have good schools in Wisconsin. We have excellent students ... and have some of the best teachers in the world.

But we still have some work to do.

Tonight, I am asking teachers, principals, parents and entire communities to join me in creating a new system of public education for the 21st tonight century.

This will mean challenging the status quo ... it will mean fighting the gravity pull of those who are afraid to change.

But we are going to do it. We are going to put education back where it belongs ... back in the hands of our parents, our teachers, and our students.

... An education that is worthy of a \$6 billion investment.

We are making changes. Our students, our parents, and our taxpayers will get what they want

If you saw the state spending millions of dollars to bus children to schools far from home when there are openings in good schools in their own backyards ... you'd start making some changes.

. If you saw that less than half of Milwaukee high school freshmen actually graduate ... and graduate with a d+ average ... you'd start making some changes.

. If you saw that only 79% of our students actually go to school on a regular basis, you'd start making some radical changes.

Our first step in changing education is a complete redefinition of public education in Wisconsin.

From now on in Wisconsin, a public school will mean a school that is serving the public.

School choice is part of this new public education.

School choice is more than a program ... it is a philosophy.

It is the belief that parents know best when it comes to their own children ...

It is the belief that poor parents have the same right to choose that other parents do ...

It is the belief that parents will choose the best school for their child.

That's education serving the public.

We are expanding our Milwaukee private school choice program to include more children and all private schools.

If a mother in Milwaukee wants her child to walk to the private school across the street instead of being bused to a public school across town ... she's going to have that choice.

If that private school across the street has a religious affiliation ... she is still going to have that choice.

Religious values are not our problem. Drop-out rates are.

Government is allowed to pay for whatever pre-school a parent chooses. It is allowed to pitch in for whatever college they choose.

It is only for k-12 that we assume bureaucrats know best ... and parents have no say.

Not anymore.

And private school choice is only part of the solution.

We are going to make public choice an option statewide. We are going to make our public schools an excellent choice as well.

But even with choice, our Milwaukee public schools need special attention.

Dr. Howard Fuller is the superintendent of Milwaukee public schools. His life is dedicated to reforming those schools. That's what drives him.

He wants to work with the Milwaukee school board to make bold, radical changes to the system. He wants MPS to succeed.

Dr. Fuller came to me with a list ... a list of changes he needs to make Milwaukee schools work.

I am including his requests in my budget ... because I believe in what he wants to do:

- . He wants charter schools. Why not give every single school in the district the freedom and the flexibility to educate our children as they know best.

- . Private contracting — if a school thinks a private firm can turn their school around, do it. If they think a particular principal or a group of teachers are the answer, hire them.

- . Failing schools — give the superintendent the freedom to close schools that are not doing the job. forget the forms and formalities. If a school is not performing, shut it down. Stop throwing money away. stop paying for failure.

Dr. Fuller tells me one thing over and over again: He does not want to be superintendent of a public school system. He wants to be superintendent of a system of public schools ... schools that are serving the public.

There are many schools and teachers in Milwaukee today who are doing just that.

Teachers like Vandy Harmon, a teacher at Milwaukee technical high

School who is using computer technology to teach graphic arts. Vandy has been a Milwaukee public school teacher for 24 years. She is embracing innovation. She is leading the charge to the education of the 21st century.

Vandy, could you stand up please?

The education of tomorrow is already starting today, thanks to people like Ms. Harmon.

And I know that if we give Milwaukee the tools they need ... every Milwaukee school will be a success story. Milwaukee public schools will be the education comeback story of the 1990s.

And the Milwaukee success story will be the Wisconsin success story

... because I am giving every school in this state the same tools for Success.

We are going to unshackle our educators from the bureaucratic establishment that has kept them from soaring.

Every school district in this state is going to be as unique as the students they serve

A school right here in Madison is a perfect example of a school serving its students ... a school serving the public.

Some of our young people today are facing tough problems ... some are homeless ... some are victims of abuse ... some abuse drugs ...

Educators saw a need and created a school to meet it ... the Dane County Transitional School ... taking troubled students and teaching them the skills they need to succeed.

I'd like to introduce Judy Olkes, coordinator of the Dane County Transitional School, and two of her students — Lars Forde and Rob Pertzborn.

Thank you, Judy, for making education work ... for leading the way to the education of the future.

Bold words ... bold deeds. That how we do things in Wisconsin.

We said we were going to fight crime. And we have.

We passed a three-strikes bill last session ... we abolished mandatory release ... and we launched the largest prison expansion program in state history.

Statistically, crime is down in Wisconsin. But statistics are no comfort to people who do not feel safe ... people who are afraid in their own neighborhoods.

We must be bolder. We must never forget that protecting law-abiding citizens is government's fundamental duty.

There is an element in our society today that is growing increasingly more violent.

And, unfortunately, where we have seen the greatest explosion of violent crime is among our young people.

There are young people out there today who think they can do whatever they want ... and because they are kids, they will get the kid-glove treatment.

My message to violent young criminals is simple: Your birthday won't protect you anymore.

We are lowering the age of majority for youthful offenders from 18 to 17. If you commit a crime and you are 17 years old, .. you will be considered an adult.

The focus in the past has been on social services for these young people.

Well, some of these juvenile offenders are not simply a social problem anymore. They are a social menace. and they are going to be treated as such.

Wisconsin currently has two reform schools as part of our social services department — Ethan Allen and Lincoln Hills. We are moving these two institutions to the department of Corrections. We are putting the people who handle criminals in charge of our young criminals as well.

And tonight I am announcing that we are placing a new youthful offender institution in Racine.

This facility will house 400 inmates ... and we are putting it right across the street from Racine steel casting ... a huge foundry that has pledged to work with us to train and employ many of these young men ... teaching them skills ... and paying them by the hour so they can pay room and board and restitution to their victims.

This is new government that makes sense.

To protect our law-abiding citizens from violent crime, we need to keep violent criminals off the streets.

That's why tonight, I am proposing the elimination of parole for serious felonies in Wisconsin. From now on, people will serve their full sentences.

If you are a violent criminal sentenced to 10 years in prison, you will serve 10 years in prison. No more parole ... no more early release. Period.

For Milwaukee, I plan to continue discussions with county officials to build an adult alcohol and drug abuse center ... and a joint state-county prison.

I am also announcing tonight a pilot program that is bringing private industry into our prison system. We are turning our prisons into factories and making prisoners pay their own way. There will be no more free lunch in Wisconsin prisons.

Irwin Jacobs is a businessman who is bringing work to one of Wisconsin's prisons ...

It is work he cannot find workers for ... it is work that will cut prison costs ... that will teach prisoners responsibility ... and will teach them that nothing is free ... not even a prison cell.

That's the way the world works. It's going to work that way in the prisons now, too.

I have always said that government can learn a lot from the private sector. and you might as well learn from one of the very best.

It is my pleasure to introduce Irwin Jacobs.

Mr. Jacobs is building a new business that takes return items from catalogues and retail stores ... sorts them ... repairs them ... re-packages them ... and then sells them at resale shops.

He is bringing this business to Wisconsin. He is not taking the work away from other workers. He is bringing the work to our prisons.

It is a win-win situation for the state ... it is a win-win situation for our taxpayers.

Bold words. Bold deeds.

TECHNOLOGY

Wisconsin has embraced new technology in the past eight years ... and new technology is going to be our partner as we create a new government for a new century.

When I presented my first budget speech, I suggested we do something.

About registration at the UW. It was the biggest applause line I've ever had.

For anyone who remembers spending hours in line at the old red gym ... you know why.

Eight years later, students can register for classes electronically ... simply by picking up the phone.

These are the kind of innovations that are changing our world at break-neck speed.

Last summer I ran into an old friend who asked me why the UW-Madison dorms were not wired for video. I told him I didn't know ... I'd have to look into it.

As a result of that conversation, a company called Cyberstar entered a bid, and they are now installing a full service telecommunications network capable of delivering video, telephone and computer services at the UW-Madison.

Now the city of Madison wants them to do the same ... and they are negotiating to build a fiber optic network serving 80,000 Madison homes.

I want to introduce to you a man who is making these innovations happen ... Don Jones ... who is here tonight with his wife, Terri, and their son Joseph.

Don and his company Cyberstar are wiring the UW ... they helped create computer access to the library of congress ...

This month he electronically wired the U.S. House of Representatives ... and he is spreading his innovation to countries all over the world ... all from Wisconsin.

With technology, you don't have to be a lobbyist ...

With technology, everyone is an insider ... everyone has access.

Don once told me something I haven't forgotten. in 1943, Thomas Watson Sr., the founder of IBM, said the country would eventually need at the most five computers. Five computers for the entire country!

Humankind has an incredible power to underestimate the power of technology.

We're not going to do that in Wisconsin.

Technology is going to help us revolutionize state government.

Tonight I am announcing the creation of a new information technology fund ... a \$40 million investment in the future of this state ... a \$40 million investment in a smaller, more responsive, more efficient government.

. We are going to set up kiosks at local shopping centers where you can renew your drivers license ... or pick up a hunting and fishing license.

. We are going to have teleconferencing statewide. this means you and I can meet with people in every corner of the state without them having to drive all the way to Madison. this means we can have a prisoner at Waupun checked by a doctor at the University Hospital without costly transportation and security issues getting in the way.

. We are going to put the entire state justice system on a common computer system. Last year, the state spent \$1 million paying for defenders to wait around for their cases to come up. Consolidation will avoid such a waste of time and money.

. We are completely automating truck weighing stations on our highways. No state troopers will have to be stationed. Trucks will be able to drive through, be weighed, and be on their way ... easing traffic, speeding the delivery of goods, and reducing state personnel.

. Unemployment compensation used to mean driving to an office and waiting in a long line. Today in Wisconsin it means picking up the phone. U-C recipients save time and money ... and the taxpayers are saving about \$2 million a year.

This is the new government I am talking about ... downsizing to the essential services ... bringing government back to the human level ... where it belongs.

CONCLUSION

This is my vision for the next four years.

I have set forth some bold initiatives tonight. and they are going to require bold actions.

We have done it before. We will do it again.

These next four years will be the culmination of a journey we started eight years ago.

Everyone here, regardless of party affiliation, regardless of titles, is a traveler on the same journey. We may have charted different courses, but we are headed for the same destination ... the 21st century.

One governor can't do this alone ... one party can't do this alone.

And to those of you in the minority party ... I've been there. For sixteen years I was a minority member of this legislature ... and I know better than anyone else that the minority's voice must be heard.

Tonight, I am asking all of you to walk shoulder-to-shoulder with me into the future.

We've come a long way in eight years.

It's been quite a journey.

It's been quite a journey for me — standing before you tonight —from a two-room school house in Elroy ... where high technology was indoor plumbing ... and advanced communications was the colored chalk we had for special occasions.

Times have changed.

Wisconsin has not.

What is not done is what we have not yet attempted to do.

We are still a people with the boldness to dream ... the imagination to change ... and the heart to seek a better way.

America stands poised once again on the edge of a new century ... of a new millennium.

And once again, Wisconsin stands ready to show the way.

Thank you.

TOMMY THOMPSON

Governor

Upon the motion of Senator Ellis the Senate adjourned upon the rising of the joint assembly until 10:00 A.M. Thursday.

7:41 P.M.