

# Eighty-Eighth Regular Session

WEDNESDAY, August 5, 1987

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

## INTRODUCTION OF BILLS

Read first time and referred:

### Senate Bill 311

Relating to time-share ownership of property, the regulation of time-share salespersons and providing a penalty.

By Legislative Council.

To committee on Judiciary and Consumer Affairs.

Pursuant to Senate Rule 36(2) and Section 13.52 of the Wisconsin Statutes, the Co-Chairs of the Joint Survey Committee on Tax Exemptions shall prepare and submit a report in writing setting forth an opinion on the desirability of Senate Bill 311 as a matter of public policy.

### Senate Bill 312

Relating to the location of a correctional institution.

By Senators Moen, Rude and Harsdorf; cosponsored by Representatives Musser, Medinger, Roberts, Hamilton, Van Gorden, Gronemus and Brancel.

To committee on Agriculture, Health and Human Services.

### Senate Bill 313

Relating to income tax benefits for individual medical accounts.

By Senators Lorman, Van Sistine, Buettner and Leean; cosponsored by Representatives Schneiders, Carpenter, Margaret Lewis, Radtke, Berndt, Vergeront, Schmidt, Van Gorden and Ladwig.

To Joint Survey committee on Tax Exemptions.

### Senate Bill 314

Relating to the duplication of will records.

By Senator Chvala; cosponsored by Representative Mark Lewis.

To committee on Judiciary and Consumer Affairs.

## PETITIONS AND COMMUNICATIONS

State of Wisconsin  
Office of the Secretary of State

July 29, 1987

To the Honorable the Senate

I have the honor to transmit to you the following information pursuant to s. 13.685(7):

Sincerely,  
DOUGLAS LAFOLLETTE  
Secretary of State

## NEWLY REGISTERED LOBBYISTS AND THEIR PRINCIPALS:

CONTA, DENNIS J., 135 W. Wells St., Ste 608, Milwaukee, WI 53203 (414) 276-3337

1) Miller & Schroeder Financial, Inc., Attn: Helen Dixon, 330 E. Kilbourn Ave., #1718, Milwaukee, WI 53202 (414) 223-3737 (economic development)

DONOGHUE, J. SHEEHAN, Godfrey Building, Wisconsin St., P.O. Box 260, Elkhorn, WI 53121 (414) 723-3220

1) Children's Health Systems of Wisconsin, Jon E. Vice, 763 N. 18th, Milwaukee, WI 53233 (414) 931-4111 (health care)

2) St. Mary's Hospital, Sister Julie Hansen, 2323 N. Lake Dr., Milwaukee, WI 53211 (414) 225-8000 (health care)

GOYKE, GARY R., 22 N. Carroll, Madison, WI 53703 (608) 251-5997

1) Dearborn Wholesale Grocers, Inc., Steve Edwards, 2801 S. Western Ave., Chicago, IL 60608 (312) 254-4300 (general areas of legislative and administrative action or rules related to the business of the corp., including the Department of Agriculture and Department of Revenue)

HANSON, THOMAS S., 15 N. Pinckney St., Madison, WI 53703 (608) 256-5299

1) WI Psychiatric Assn., Edward S. Levin, P.O. Box 1109, 330 E. Lakeside St., Madison, WI 53701 (608) 257-6781 (equal coverage of psychiatric illness)

THIMKE, MARK A., 777 E. Wisconsin Ave., Milwaukee, WI 53217 (414) 289-3538

1) Thilmany Pulp & Paper Co., Thomas G. Jayne, Thilmany Rd., Kaukauna, WI 54130 (414) 766-4611 (environmental)

WIMMER, JR., JAMES W., P.O. Box 1482, Madison, WI 53701 (608) 256-5223

1) National Marine Manufacturers Assn., Ron Stone, 2550 M. St., NW, Ste 425, Washington DC 20037 (202) 296-4588 (any function or activity of any branch, department or phase of federal, state or local government; agriculture, outdoors or environmental; taxation; regulation of business, finance or insurance; or other topics pertaining to the general public health or welfare)

**Misc. Changes:**

**Name Changes:**

General Telephone Company of Wisconsin changes name to: GTE MTO INC.

Union Carbide Agricultural Products Company changes name to: Rhone-Poulenc Ag Company

**Termination of Lobbyist Licenses:**

James D. Eckblad, 433 W. Washington Ave., Madison, WI for Assn. of WI Snowmobile Clubs, Inc., terminated July 29, 1987

Thomas W. Harnisch, 44 E. Mifflin St., Madison, WI for Wisconsin Wildlife Federation, terminated July 24, 1987

James E. Hough, 1 S. Pinckney St., Ste 313, Madison, WI for WI League of Financial Institutions, terminated July 27, 1987

Art Sherren, Fawn Lake Rd., St. Germain, WI for Assn. of WI Snowmobile Clubs, Inc., terminated July 29, 1987

**State Agency Change:**

WHEDA-WI Housing and Economic Development Authority: delete Ed Jackamonis, Monica Burkert-Brist and Tom Krajewski

State of Wisconsin  
Wisconsin Housing and  
Economic Development Authority  
July 31, 1987

To the Honorable the Legislature

I am pleased to transmit to you the following report:

**CREDIT RELIEF OUTREACH PROGRAM  
MONTHLY REPORT**

I would appreciate your including this letter in the Journal for the information of the membership. Additional copies of this report are available upon request from the Wisconsin Housing and Economic Development Authority (WHEDA), 1 South Pinckney, Suite 500, or by calling (608) 266-7884.

Best Wishes,  
RICHARD J. LONGABAUGH  
Executive Director

**EXECUTIVE COMMUNICATIONS**

State of Wisconsin  
Office of the Governor  
July 31, 1987

To the Honorable, the Senate:

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

Senate Bill	Act No.	Date Approved
100, partial veto	27	July 31, 1987

Respectfully,  
TOMMY G. THOMPSON  
Governor

To the Honorable Members of the Senate:

I have approved Senate Bill 100 as 1987 Wisconsin Act 27 and deposited it in the Office of the Secretary of State.

I am proud of this budget. I am also proud of the bipartisan support it received in both houses of the Legislature. I have used my veto power extensively, but also very carefully. With my vetoes, I believe that a good budget has been made better.

I ran a campaign to change the direction of Wisconsin state government. The budget I gave to the Legislature last February emphasized the themes I campaigned on:

- \*Creating more jobs through economic development.
- \*Reducing taxes and making Wisconsin' tax structure more competitive.
- \*Helping people get off welfare and into jobs.
- \*Controlling spending increases.

With my vetoes, I've kept my commitment to the voters and also to the spirit of my original budget proposal. I know that I was elected to implement the ideas and goals I promoted during my campaign. I will remain true to those ideas and goals.

Throughout the entire budget process, I have appreciated the advice and suggestions I received from many legislators and from the thousands of people who talked to me in personal meetings and wrote to me. I realize that not everyone will be happy with my vetoes, but I have attempted to be as open, accessible and fair as possible throughout the budget process and during my veto review sessions.

I will continue to work in a bipartisan manner with legislators from both political parties whenever and wherever possible, but I will not betray the trust that voters have placed in me.

As vetoed, the budget for 1987-88 will increase state spending from general purpose revenues by 3.9 percent over the 1986-87 base. This is the third lowest annual increase during the past 25 years.

My vetoes will permanently reduce GPR spending by \$21 million for 1987-88 from the bill as it was passed by the Legislature.

The 3.9 percent spending increase puts Wisconsin on track to meet the Expenditure Commission's goal of reaching the national average in state and local spending by 1992-93. In fact, state agency operating budgets have been reduced for one-half of the state agencies.

Spending increases have been limited primarily to property tax relief, caseload driven human services programs and new initiatives in education, the environment and economic development. The level of spending increases is acceptable, but I remain committed to the goal of further limiting spending increases in the future.

With my vetoes, this budget bill makes Wisconsin more economically competitive with other states and also makes Wisconsin a better place to live, work and play. It is a budget that invests in Wisconsin so that we can build an even stronger state in future years.

The state's tax code will now generally conform to the federal tax code. This will simplify our tax forms and provide more equitable treatment for all taxpayers. Furthermore, the budget provides meaningful reductions in several different state taxes. The highlights of my tax package are:

- \*All personal income tax rates are reduced and the top rate is decreased from 7.9 percent to 6.93 percent.
- \*The inheritance tax is phased out over a five-year period.
- \*The property tax/rent credit for homeowners and renters is restored.

Altogether, Wisconsin state government will take \$100 million fewer general tax dollars from the taxpayers in 1987-88 than would have been collected under the previous state tax law.

Wisconsin will continue to exclude capital gains from income taxes. The Legislature provided for a sixty percent exclusion of gains on assets held over five years. This plan would have hurt farmers and inhibited economic development.

Therefore, I used my veto power to extend the sixty percent exclusion to gains on assets held over one year. I have done this so that farmers can receive greater benefits from the sale of their livestock and also so that Wisconsin can stand out ahead of other states as a haven for job creation, economic growth and business expansion. This budget bill tells the world that Wisconsin is the place to be for an entrepreneur.

To attract new business and promote business expansion, I also used my veto authority to retain the machinery and equipment exemption from property taxes. The machinery and equipment exemption is a powerful tool for economic development. We should not change it without extensive examination and public debate.

The spending side of the budget makes a strong contribution to economic growth and development for Wisconsin. It also boosts our strengths as a state. The budget establishes a \$20 million Wisconsin Development Fund to provide grants and loans for labor training and industrial expansion and development. It increases tourism promotion to \$5 million annually. It restructures trade activities and it also expands highway development and reconstruction.

In higher education, over 340 faculty positions are added to the University of Wisconsin system to reduce student-faculty ratios and add class sections so that students can graduate on time and join the work force. Additional funding is given to research, minority programs and distinguished professorships. State support of the Vocational, Technical and Adult Education system is also maintained.

To help preserve our clean water, an additional \$63 million in bonding has been made available for pollution abatement grants to local governments. Soil and water conservation programs are also restructured to make them more effective. The Environmental Repair Fund is expanded to \$3.7 million annually to help in the solving

of our worst waste disposal problems. While all three of these changes will improve our environment, more efforts will be needed in the future.

Several major initiatives in the environmental area were inserted into the budget by the Legislature, such as the establishing of a petroleum tank clean-up fund and a waste tire recovery program. I support the goals of these initiatives but have concerns about the level of state funding, priorities and administrative procedures. I have partially vetoed several of these initiatives to address these concerns and, where necessary, to provide for more public debate. I will be an active participant in making needed changes.

To help reduce local pressures to increase property taxes, school aids have been increased by \$131 million and the state's share of local school costs has been increased to 46.7 percent. The budget also includes increases in shared revenue and transportation aids. Further property tax relief initiatives will be recommended by the Local Property Tax Relief Commission.

In human services programs, we will continue to help those in need. We have received national attention with our innovative welfare reform proposals involving workfare and learnfare. These programs must be given the opportunity to work properly to help more people. Therefore, I used my veto authority to increase the Legislature's one percent reduction in welfare payments to a six percent reduction.

The money saved through the six percent reduction will be used to expand training and employment opportunities for welfare recipients. I will propose additional legislation in the fall for the expenditure of those monies. This is consistent with my original budget proposal and allocates adequate support for welfare reform.

The additional five percent cut will not have a five percent impact on welfare recipients because reductions in cash payments will cause an automatic increase in food stamps to those people.

Even with the additional cuts, a Wisconsin family of three receiving AFDC payments will still get 25 percent more money than the average family of three in other states closest to Wisconsin. The Wisconsin family of three will be receiving \$175 more per month than a similar family in Illinois.

The budget contains new funding for several health care initiatives, such as helping the victims of AIDS, reducing the spread of the disease and combating drug abuse. It also addresses state health insurance needs by continuing the Wisconsin program.

While I am generally pleased with the product of these months of budget deliberations, I am genuinely displeased with the process. During my gubernatorial campaign, I outlined several budget reforms that I thought were necessary to bring more accountability to the budget process, to limit spending and to allow established processes to work. Having gone through this budget as Governor, I am more convinced than ever of the need for these reforms. Therefore, I've used my item

veto authority to improve the process and the product as much as possible.

1. Annual Budgeting

I campaigned on the need for annual budgeting. We need to operate state government more like a business. It is unrealistic to expect 100 percent accuracy in estimating our state revenues more than two years into the future. Budgeting for two years builds expectations that we may be unable to fulfill and leads to commitments that don't reflect our fiscal situation or changing priorities.

My original budget, introduced prior to enactment of 1987 Wisconsin Act 4, which authorized annual budgeting, was required by law to be a two-year budget. I therefore recommended that appropriations for 1988-89, the second year of the 1987-88 biennium, be frozen at the first year level, to be adjusted in the next year's annual budget.

The Legislature disregarded my intent and budgeted on a biennial basis. Consequently, I have vetoed the second-year amounts of nearly all GPR appropriations that were increased between 1987-88 and 1988-89.

I will introduce legislation adjusting second year appropriations, where necessary, by January 1988, consistent with 1987 Wisconsin Act 4. In this way, we can more accurately assess our revenue picture before appropriating funds.

2. Exclude Policy Items from the Budget

This budget, like others before it, unfortunately became bloated with nonbudget policy items as it passed through the Legislature. Though many of the items had merit, the budget bill is not the proper forum to consider policy items.

The proper forum for considering policy items is separate legislation. Citizens have a right to express their opinions on legislative matters and to know what it is the Legislature is debating. That right is denied when items are added to the budget without public hearings or advance notice, and in some cases behind closed doors.

Consequently, I have vetoed many policy items, some of which would have constituted major changes in existing state law. To develop major changes in haphazard fashion, without the benefit of bipartisan debate and citizen involvement, is wrong.

3. Allow Established Procedures to Work

As a deliberative body with 133 members, the Legislature must follow established procedures to ensure that state government is orderly, representative and fair. When statutory changes are enacted which don't follow normal procedures, public confidence in state government is reduced.

I have vetoed many items in the budget because they violate established legislative procedures.

Items should not be added without proper review and approval by the Building Commission, Transportation Projects Commission or other relevant bodies.

Despite my concerns, the Legislature has demonstrated foresight and a willingness to work with me. I appreciate that very much. This budget is an important step forward for Wisconsin. I applaud the legislators for their hard work.

Respectfully,  
TOMMY THOMPSON  
Governor

ITEM VETOES

A. General Government Operations

1. Second Year GPR Appropriations Increase
2. Telecommunications Bonding
3. Art Work Funding Reallocation
4. Capital Improvements in the Capitol
5. Minimum Maintenance Cash Financing
6. Joint Committee on Finance Project Reviews
7. University of Wisconsin-Milwaukee Advance Planning
8. University of Wisconsin Physical Education Facilities Construction Savings
9. Space Needs Study
10. Statewide Voter Registration List
11. State Employees With Two Jobs
12. Political Party Contribution Limits
13. National Guard Tuition Grants
14. Contract Cleaning Prohibition
15. Federal Surplus Property Program Deficit Reduction
16. Disaster Recovery Aids--Matching Requirement
17. Membership and Size of Statutory Bodies
18. Air Fleet Appropriation Effective Date
19. Waste Facility Siting Board: Default Hearings
20. Department of Administration Reinsurance Study
21. Goals for Minority Businesses--Investment Firms and Financial Advisors
22. Office of Health Care Information
23. Limitations on Day Care Services Expenditures
24. Day Care Services: Rule Making
25. Comparable Worth Study
26. Study of Cafeteria Style Employee Benefits
27. Recognition and Directed Application of Wisconsin Retirement System Investment Gains
28. Long-Term Care Insurance Coverage
29. Assignment of Wisconsin Retirement System Benefits
30. Allowance for Creditable Military Service

31. Joint Survey Committee Retirement Research Director
32. Effective Date of Change of Term
33. Minimum Wage
34. Tax Credit Certification
35. Apprenticeship Program Modifications
36. Employee Protections
37. Assessment of Judicial Misconduct Proceedings Costs
38. Jail Assessment Surcharge
39. Petitions Regarding Cemeteries
40. Notice of Annual Child Support Fee
41. H&SS Hearing Examiners in Paternity Cases
42. Municipal Court Contempt Cases
43. Decriminalization of First-Time Issuance of Worthless Check Offenses
44. Public Defender Staff
45. Attorney Caseloads
46. Separate Bargaining Unit--Unclassified Attorney Positions
47. Expert Witness Funds
48. Law Enforcement Reimbursement--Labor Strikes
49. Special Counsel Appropriation
50. Modified Distribution of the Penalty Assessment Surcharge
51. Statistical Analysis Center--Transfer to Justice
52. Local Matching Funds for Drug Enforcement Grants

**B. Taxes**

1. Individual Income Tax--Capital Gains Exclusion
2. Individual Income Tax--Alternative Minimum Tax
3. Individual Income Tax--Group Legal Assistance
4. Individual Income Tax--Claim of Right Doctrine
5. Individual Income Tax--Adoption Expenses
6. Individual and Corporate Income Taxes--Handicapped Access Credit
7. Individual and Corporate Income Taxes--Foreign Income Deferral
8. Individual and Corporate Income Taxes--Well Contamination Payments
9. Corporate Income Tax--Minimum Tax
10. Utilities Tax--Telecommunications Resellers
11. Sales Tax--Repair of Nonresident Aircraft
12. Use Tax--Boats Berthed in Boundary Waters
13. Tobacco Products Tax
14. Homestead Tax Credit--Formula Changes
15. Farmland Tax Credit--Formula Changes
16. Farmland Tax Credit--Minimum Credit
17. Property Tax--Exemption for M&E
18. Property Tax--Exemption for Charter Boats
19. Property Tax--Exemption for Highways Lands
20. County Assessor Systems--Adoption Ordinances
21. Local Finance--Municipal Fire Hydrant Charge

22. Local Finance--Municipal Sports Facilities Charge
23. Local Finance--Water Rescue Fees
24. Local Finance--Omitted Taxes on Federal Property
25. Local Finance--Late Fees for Liquor Licenses
26. Liquor License for a Tavern Not on a Lake
27. Elderly Property Tax Deferral Loan Program
28. Tax Administration--Remittance of Local Sales Tax
29. Tax Administration--Multistate Tax Commission
30. Tax Administration--Great Lakes Interstate Sales Agreement
31. Sales Tax Information Sharing Agreements
32. Tax Information
33. Tax Administration--Study of M&E Exemption
34. Tax Administration--Legislative Council Study

**C. Education**

1. Minimum School Aids
2. Milwaukee Public Schools--Borrowing Referendum
3. Certification of Athletic Associations
4. Site-Based Management Program
5. Children-at-Risk
6. P-5 Program
7. Aid for Suicide Prevention Programs
8. Aid for CESA Administration
9. Morning Milk Program
10. School Bus Seat Belt Study
11. Private School Placement
12. School Equalization Formula--Membership Count
13. Before and After School Day Care
14. Children with Special Health Care Needs
15. Library Board Membership
16. Per Credit Tuition Plan
17. VTAE Credit Transfer
18. Parkside Nonresident Tuition Waiver
19. Payments for Municipal Services
20. Minority Doctoral Student Loans
21. Continuing Appropriations
22. Electronic Communication
23. Regent Membership on Educational Communications Board
24. Educational Communications Board Membership Change
25. Independent Public Radio Stations
26. Milwaukee Public Television
27. Arts Challenge Initiative
28. Financial Aids Deadline
29. Minority Student Grant Program
30. Apprentice Instruction

**D. Environmental and Commercial Resources**

1. Farm Congress
2. Stray Voltage Program
3. Pesticide Use Liability
4. Inspector Certification Program

5. Whey Cream
  6. Development Zones
  7. Wisconsin Development Fund: Enumeration of projects
  8. Wisconsin Development Fund: One-Time Funding
  9. Wisconsin Development Fund: Joint Committee on Finance Approval
  10. Wisconsin Development Fund: Agribusinesses
  11. Wisconsin Development Fund: Rules
  12. Development Finance Board Membership
  13. Wisconsin Development Fund: Transportation Projects
  14. Wisconsin Development Fund: Small Business Set-Aside
  15. Employee Ownership Board
  16. IRB Verification
  17. Export Trade Plan
  18. German Trade Office Limitations
  19. Tourism: Film Promotion
  20. Tourism and Travel Marketing Fund
  21. Council on International Trade
  22. Commercial Liability Reports
  23. Health Insurance Risk Sharing Plan Insurer Assessment Relief
  24. Health Insurance Risk Sharing Plan Cost Containment
  25. Securities Deregulation
  26. Fees for the Environmental Repair Fund
  27. Petroleum Environmental Clean-Up Fund
  28. Waste Tire Recovery Program
  29. Recycling and Waste Incineration
  30. Waste Load Allocation
  31. Nonpoint Pollution Abatement Authority
  32. Landfill Siting Prohibitions
  33. In-Place Pollutant Program Staff
  34. Environmental Repair Fund Liability
  35. Clean Sweep Program
  36. Waste Reduction and Recycling Grants
  37. Yahara Watershed Management District
  38. Volatile Organic Compounds Program
  39. Rights of Discovery
  40. Construction Site Erosion Control Ordinances
  41. Landfill Siting Reimbursement
  42. Milwaukee Metropolitan Sewerage District: Shoreline and Harbor Protection Authority
  43. Motorboat Fuel Gas Tax Formula
  44. Waterways Commission Funding and Eligibility
  45. Waterfront Park Aids
  46. Scenic Urban Waterways
  47. County Forest Aids
  48. Beaver Control Subsidies
  49. Land Acquisition
  50. Fish and Game License Issuing Fee
  51. Managed Forest Land Exemption
  52. Endangered Species Violations
  53. Local Spearfishing Enforcement Aids
  54. Motor Fuel Tax Indexing
  55. Motor Fuel Tax Refund for Pupil Transportation
  56. County Hold Harmless Under General Transportation Aids
  57. General Transportation Aids Paid on Shared Road Mileage
  58. Mass Transit Operating Assistance Increase
  59. Transportation Projects Commission
  60. USH 12/North Crossing Major Highway Project Enumeration
  61. Sun Prairie To Columbus Major Highway Project
  62. USH 18--Blue Mound Road
  63. Noise Barrier Allocation and Specific Location Study
  64. Penalties for False Information on Driver Licenses and Identification Cards
  65. Signs for Truck Following Distance
  66. Accident Reporting
  67. Date for Detour Impact Study
  68. Milwaukee Freeway Parking Leases
  69. Town Roads Study
  70. Lessee's Right of Acquisition
  71. Renaming General Mitchell International Airport
  72. Wisconsin Conservation Corps Increased Administrative Support
  73. Wisconsin Conservation Corps Segregated Funding
  74. Wisconsin Conservation Corps Transportation Projects
  75. City of Milwaukee--Miscellaneous Changes
  76. Ambulance Service Regulation
  77. County Economic Development Funding
  78. Milwaukee Board of Tax Assessors
  79. Local Option on Tavern Teen Nights
- E. Human Services**
1. Aid to Families with Dependent Children Benefits
  2. MA: Pregnant Women and Children
  3. Learnfare--Program Requirements
  4. Learnfare--Department of Public Instruction Study
  5. School-Linked Clinics
  6. Recoupment of AFDC Benefits
  7. Guaranteed Jobs Program
  8. Self Employment and Placement Pilot Project
  9. Milwaukee County Work Experience Job Training Administration
  10. Variable Benefit Waiver
  11. Grant Diversion
  12. Reopening of Default Judgments in Paternity Cases
  13. Requirements for Paternity Cases
  14. Dismissal of Specific Paternity Cases
  15. Child Abuse Reporting Exception
  16. The Choices Program
  17. Welfare Fraud Expansion
  18. Child Support Supplement Program
  19. Child Support Enforcement Services

20. General Relief Statutory Modifications
21. General Relief Allocations
22. Community Services Block Grant Supplement
23. Homeless Shelters
24. Juvenile Code: Extended Juvenile Court Jurisdiction
25. Juvenile Code: Length of Dispositional Orders
26. Juvenile Code: Transfer to or Between Facilities
27. Juvenile Code: Stay of Sanction for Violation of an Order
28. Juvenile Code: 48 Hour Detention
29. Juvenile Code: Limits on Sanctions for Violation of Order
30. Juvenile Code: Petition for Discharge Hearings
31. Juvenile Code: Protection of the Public
32. Juvenile Code: Notice to Victims of Children's Acts
33. Juvenile Code: Notification of Conditions to Impose Sanctions
34. Juvenile Code: Apprehension of Runaways From Juvenile Institutions
35. Juvenile Code: Extended Jurisdiction--Notice of Hearing
36. Overcrowding at Correctional Institutions
37. Study Juvenile Institution Staffing
38. Prisoner Medical Care Study
39. Early Prison Release
40. Correctional Officer Training Center Move
41. Sturtevant Drop-Off Center
42. State Health Insurance Program (SHIP)
43. Wisconcare
44. Mandated Chiropractic Coverage
45. AIDS/HIV Grants to Local Health Departments
46. AIDS/HIV Alternate Site Funding
47. IMD Technical Language Changes
48. MA: Alcohol and Other Drug Abuse (AODA) Hospital Payment
49. Funding of Certain Nursing Home Residents and Relocations
50. Access to Hospital Evaluations
51. Home Health Care and Personal Care Report
52. Council on Long-Term Care Insurance
53. MA: CIP I Rates
54. MA: CIP II Vacant Slots
55. MA: Alcohol and Other Drug Abuse (AODA) Day Treatment and Study
56. MA: Case Management for Emotionally Disturbed Children
57. MA: Physician Reimbursement
58. Nursing Home Residents' Right to Know
59. Nursing Home Minimum Staffing Patterns: Enforcement
60. Nursing Home Studies: Minimum Staffing and Employee Wages
61. Specialized Nursing Home Rules
62. Access to Private Pay Nursing Home Records
63. Nursing Home Forfeitures and Rules
64. Nursing Home Inspections
65. Nursing Home Surveys
66. Low Income Energy Assistance Program (LIEAP) Crisis Assistance
67. Temporary Restaurants
68. Establishing Permit Fees
69. Anti-Drug Abuse Grant Administrative Funding
70. Drug Abuse Prevention for Youth
71. Performance Standards for Mental Health and Juvenile Justice
72. Increases in the Community Support Program
73. Epilepsy grants
74. Long-Term Domestic Abuse Services
75. Juvenile Restitution Program
76. Brain Injury Grants
77. Community Aids Funding Restructuring Report
78. Developmentally Disabled Services in Community Aids
79. COP Waiver Rates
80. Use of COP and Community Aids Carryover Funds
81. COP Right to Hearing
82. Group Home Zoning Override
83. Elderly Benefit Specialists
84. Lead Poisoning Prevention
85. Foster Care Placement Continuation
86. Domestic Abuse in Wood County
87. Sexual Assault Council
88. Day Care Services in Milwaukee
89. Bureau for Sensory Disabilities
90. Advocacy Program in the Board on Aging and Long-Term Care
91. Earmarking of Grants by the Adolescent Pregnancy Prevention Board
92. Restrictions on Grants Awarded by the Adolescent Pregnancy Prevention Board
93. Veteran's Economic Assistance Loan Income Limit
94. Veteran's Primary Mortgage Loan Program Modifications
95. Child Support Certification for Veterans

#### A. General Government Operations

1. Second Year GPR Appropriations Increase  
*Section 131m as it relates to 20.370(1)(kc), (jc) and (4)(jd); 20.435(3)(e); and 20.867(3)(a), and Section 132 as it relates to 20.115(2)(a) and (3)(a); 20.145(7)(a); 20.225(1)(b); 20.235(1)(fe) and (2)(aa); 20.245(1)(a) and (5)(c); 20.255(1)(a), (c) and (e), (2)(ac), (an), (b), (cc), (cn), and (cr); 20.292(1)(d) and (dm); 20.315(1)(a); 20.370(1)(kc), (2)(ma), (4)(ea), (ia), (jc) and (jd); 20.399(1)(a); 20.435(1)(eg) and (em), (2)(f), (3)(a), (am), (e) and (f), (4)(a), (bd), (c), (cd), (d), (dd), (de), (dh), (dj), (e) and (ed), and (5)(a); 20.455(1)(a), (3)(a),*

and (5)(a); 20.465(1)(a) and (f); 20.485(1)(c); 20.505(1)(b), (3)(b) and (6)(a); 20.566(1)(a), (2)(a), and (3)(a); 20.575(1)(a); 20.680(2)(a); 20.765(1)(d), (2)(b), (3)(d), (e), (ec) and (fa); 20.835(2)(c) and (dm), and (5)(a); 20.865(1)(dm), (f) and (fm), and (2)(a); 20.867(2)(b) and (f), and (3)(a); 811a; 1035; 3024(4)(a), (bn), (e) and (f); and 3024(8)

These sections increase various GPR appropriations between 1987-88 and 1988-89. Increasing second year GPR appropriations is inconsistent with the concept of annual budgeting, which the Legislature authorized for the 1987-89 biennium in 1987 Wisconsin Act 4. The increases represent commitments that could be impossible to meet, given the imprecise nature of revenue estimates, and may not reflect changing priorities or the state's fiscal condition a year from now.

I have vetoed all GPR appropriations in 1988-89 which were increased over their 1987-88 amounts, with the following exceptions:

(1) Wisconsin Development Fund--The budget created a fund to meet specialized economic development needs by providing labor training and business development grants and loans. All funds in the large projects appropriation were placed in the second year. Funding must be available to capitalize on new economic development opportunities as they arise.

(2) Morning Milk Program--The budget provides \$820,000 for milk for school children in 1988-89. I am leaving the funding for this program but requesting a study of participation in current government subsidized breakfast programs.

(3) The University of Wisconsin--The UW-System has been given adequate budget support to conduct its teaching, research and service mission. The UW should be given time to assess its future budget priorities during the next two years.

(4) Medical Assistance--This major state entitlement program is budgeted on a biennial basis to allow flexibility in meeting caseload variations.

(5) Welfare Reform--New initiatives designed to reduce welfare dependence and provide jobs for welfare recipients deserve adequate time to get established before the next budget review occurs.

(6) Shared Revenue--The dollar amounts shown in the second year represent amounts that will be certified to local governments in 1987 for distribution in 1988. Local governments should be assured that these amounts will be received.

Second year appropriation amounts that are vetoed for other objections indicated elsewhere in the veto message are also excluded from this veto.

## 2. Telecommunications Bonding

*Sections 497n and 2242uv as it relates to telecommunications*

In the last biennium, 1985 Wisconsin Act 29 authorized \$20 million of bonding authority for purchase of a long-distance voice and data telecommunications network with digital switching capability. In 1986, the state entered into a long-term lease contract with AT&T for voice transmission and digital switching and transmission facilities between four major cities. This contract did not require the use of the \$20 million in bonding authority in building the long-distance voice network.

These sections delete the existing bonding authority for telecommunications under the incorrect assumption that the state's long distance network has been completed.

I am vetoing this item because this existing bonding authority may yet be needed. First, the data transmission portion of the network has not been completed. The state will soon be issuing a Request For Proposal to complete the data network. Depending on the proposal accepted, the bonding authority may be required to complete the data portion of the state's long distance network. Second, various state agencies and particularly the University of Wisconsin may require bonding authority to replace existing phone wiring and to install local area data networks.

## 3. Art Work Funding Reallocation

*Section 3008(15m)*

This section transfers \$210,000 in 1987-89 borrowed funds for art restoration in the Capitol. Existing statutes require 0.2 percent of most building costs to be set aside for art. This section would divert nearly all of the available percent-for-arts funds.

I am partially vetoing this section to give the Building Commission greater flexibility in allocating the art funds. The veto deletes specific references to the 1987-89 biennium and the amount of borrowed funds to be transferred. This makes available percent-for-arts funds related to construction projects enumerated in previous building programs and allows the Building Commission the flexibility to determine how much should be reallocated to Capitol art restoration.

## 4. Capital Improvements in the Capitol

*Section 2242uv as it relates to capital improvements*

This section modified the 1985-87 building program to permit \$7 million in general obligation bonding to be used for improvements in the Capitol. This authority was originally approved only for restoration of the Capitol.

I am vetoing this section to retain the original purpose of the bonding authority, restoration. Improvements to the Capitol should stand the same scrutiny as is required of any other construction project in the state building program.



5. Minimum Maintenance Cash Financing  
*Section 7x*

This section requires the use of cash financing for minimum maintenance programs authorized in the state building program beginning with the 1989-91 biennium.

I am vetoing this section to preserve a full range of financing options for the 1989-91 building program and the next biennium's operating budgets. In principle, I agree with the objective of using cash for minimum maintenance. In the next building program, I will endeavor to use as much cash financing as is financially responsible. However, I cannot precommit such a significant amount of funds without first understanding the financial condition of the state and the ramifications of using cash financing on the general fund's condition.

6. Joint Committee on Finance Project Reviews  
*Sections 3008(8) and (15)*

These sections add Joint Committee on Finance approval of construction projects to two selected construction projects: Willow River State Park campground development and women's minimum security correction centers.

I am vetoing these sections because Joint Committee on Finance review would needlessly delay these projects by adding an unnecessary step in the construction projects' approval. The Building Commission is the Legislature's review authority for construction projects.

7. University of Wisconsin-Milwaukee Advance Planning  
*Section 3008(16m)*

This section requires the Building Commission to consider projects that address facility needs at the University of Wisconsin-Milwaukee which contribute to the state's economic and business development, including architecture and urban planning, business and fine arts. It authorizes the Building Commission to approve advance planning funds without prior project enumeration if it meets these criteria.

I am vetoing this section since it disregards the established procedure requiring capital projects to: (1) be incorporated into a long-term plans, and (2) compete for support among other University projects and the state building program. Further, the provision is too broadly constructed to provide a meaningful distinction among projects at the University of Wisconsin-Milwaukee campus.

8. University of Wisconsin Physical Education Facilities Construction Savings  
*Sections 3008(14r) and (14rm)*

As I originally proposed in the Capital Budget Bill, the Board of Regents would have had the authority to allocate the program revenue costs between two physical education projects, one at UW-Platteville and the other at UW-Stevens Point. Thereafter, any project savings would be proportional to the funding source. This

section stipulates that any savings from either project would be first returned to the students of that campus, instead of being proportionally divided among campuses and the sources of funds.

I am vetoing this section because it could create inequities in funding between the two campuses affected and be more of a burden on general fund supported borrowing.

My veto allows the Board of Regents to determine how to allocate the program revenue costs between the two projects. It also ensures that any savings from either project would be shared by students of each campus and the state.

9. Space Needs Study  
*Section 3008(3r)*

This section allows the Building Commission to conduct a space needs study of the Supreme Court, Law Library and other court functions within the Capitol.

I am vetoing this provision because it is redundant. The Building Commission already has the authority to conduct such a study at any time. This provision creates momentum toward constructing a separate facility for the Courts. With today's construction costs, duplicating the court's facilities in the Capitol would be inordinately expensive.

10. Statewide Voter Registration List  
*Sections 1ge, 1gm and 1gs*

This provision requires municipal clerks in jurisdictions with voter registration to submit to county clerks, and county clerks to forward to the State Elections Board lists of registered voters. The provision further requires the board to compile and maintain a centralized statewide voter registration list. I have vetoed this provision because of the significant costs that would be imposed locally and on the state. The estimated \$100,000 GPR development costs to the Elections Board are unfunded.

11. State Employees With Two Jobs  
*Sections 3m, 3n, 3p, 3q, 125g and 125r*

These provisions modify the state ethics code and chapter 13 of the statutes by removing certain prohibitions and limits on state employes earning more than one paycheck from the state at the same time. In particular, they would permit legislators to collect both a legislative salary and a second salary from any other state agency. The apparent intent is to allow members of the Legislature to also serve on the faculty or academic staff of the University of Wisconsin System.

I have vetoed the change in the ethics code because it is too broad. It would permit any state employe to receive compensation without limitation from two state jobs held at the same time. I also find objection in the possible conflict of interest created by these changes, as well as the changes to chapter 13. Elected state officials charged

with setting public policies should not be on the payroll of state agencies affected by those policies.

12. Political Party Contribution Limits  
*Sections 1y and 3203(18)(bm)*

This provision changes the total amount of contributions which a political party committee may receive from political action committees from \$75,000 per calendar year to \$150,000 during a biennial period. I am vetoing this because I believe the current law limits are reasonable. I also object to this policy change being introduced in the budget bill.

13. National Guard Tuition Grants  
*Sections 541c, 541g and 542c*

This provision modifies the current National Guard tuition grant program to provide grants to any active member of the Guard. I am sympathetic to the Adjutant General's problems in recruitment and retention of a state militia. However, the program as presented to me in this budget does not include the funds needed to provide the grants. I am therefore obliged to veto the tuition grant modifications at this time, as the Department of Military Affairs would be unable to carry out the program as required. I will reexamine this proposal in my next annual budget.

14. Contract Cleaning Prohibition  
*Sections 91g and 91r*

These sections prohibit the Department of Administration (DOA), or its agents, from contracting with any party for the cleaning or maintenance of any property which DOA manages, if such activities are not already contracted out prior to the effective date of the budget act. I have vetoed these provisions because they unduly restrict DOA's capability to maximize costeffectiveness in building management. DOA can realize savings of up to 50 percent by contracting for cleaning and maintenance services. Existing law provides numerous controls over contracting, including a prohibition against contractual agreements which conflict with collective bargaining laws. These sections serve no sound public policy and counteract my goal of operating government as efficiently as possible.

15. Federal Surplus Property Program Deficit Reduction  
*Section 109*

This section requires the Department of Administration to lapse a minimum of \$122,800 GPR each fiscal year from its Program I general operations appropriation in and transfer the amount of this lapse, immediately prior to the close of the fiscal year, to the program revenue appropriation which supports the Federal Surplus Property Program. The department is required to continue this lapse/transfer until the federal surplus property program cumulative deficit is eliminated. I have partially vetoed this provision because it restricts the agency's capability to perform its statutory responsibilities. The department's initial agreement to

this approach was made prior to budgetary actions which decreased DOA's Program I general program operations appropriation to 93 percent of base level. My veto eliminates the minimum lapse/transfer requirement of \$122,800, but the department is still required to lapse and transfer any unencumbered balance as an application to the program deficit.

16. Disaster Recovery Aids--Matching Requirement  
*Section 1895*

This section requires the state and the affected local units of government to share equally the 25 percent matching contribution required by the federal government for disaster assistance grants for eligible local facilities. This provision would apply to disasters designated on or after the effective date of the bill. I have partially vetoed Section 1895 because I wish to provide flexibility in determining in each case a local matching requirement. Many disaster costs paid by local governments prove not to be eligible under federal requirements. Federal disaster assistance has generally been equal to one-half or less of local government losses. My veto allows a local share of up to 50 percent of the federally-required match, but permits a purely nominal share if the circumstances so warrant. The ultimate authority to set appropriation levels for disaster recovery aid remains with the Legislature.

17. Membership and Size of Statutory Bodies  
*Sections 7t, 10f, 10g, 10i, 10mm; 10n, 10p, 22m, 28r and 3057(2d)*

These sections repeal statutory specifications regarding the size and membership of the State Capitol and Executive Residence Board and the Joint Survey Committees on Debt Management and Tax Exemptions and terminate the board's administrative attachment to the Department of Administration. I have vetoed these sections because it is important to maintain the existing membership balance of these bodies, which include citizen members and executive branch representatives in addition to legislators. The existing statutory specifications, which this veto restores, assure the presence of a balance of interests and professional expertise in the membership of these bodies.

18. Air Fleet Appropriation Effective Date  
*Section 3204(1)(bg)*

This provision provides an effective date of October 1, 1987, for the treatment of all sections relating to the initiation of a central airplane fleet service in the Department of Administration. I have partially vetoed this provision to remove only the appropriation from the effective date section. This appropriation is used for the existing central car fleet operation. In addition, the department may need to procure aircraft prior to October 1, 1987. This veto removes the technical problems caused by an October 1, 1987, effective date for appropriation section 20.505(1)(kb).

19. Waste Facility Siting Board: Default Hearings  
*Section 1802m*

This section provides that the costs of default hearings be shared equally between the applicant and the local siting committee, unless otherwise specified in an arbitration award. Under current law, either party may petition the Waste Facility Siting Board for a hearing as to whether the other party is in default, i.e., has improperly failed to participate in negotiations. I have partially vetoed this section to remove the requirement that the costs of hearings be shared equally between the parties. In some circumstances, a default petition could be frivolous, in which case equal cost sharing may not be appropriate. My veto maintains the provision that hearing costs be shared by the parties, but leaves the allocation of costs to the Waste Facility Siting Board under its rule-making authority.

20. Department of Administration Reinsurance Study  
*Section 3001(7g)*

This provision directs the Department of Administration to study alternatives to the purchase of reinsurance coverage for the state's self-funded risk management programs and to report its findings to the Joint Committee on Finance by January 1, 1988. I have vetoed this provision because the department has already indicated its intent to study alternatives to reinsurance and present its findings to me. I will share these findings with the Legislature.

21. Goals for Minority Businesses--Investment Firms and Financial Advisors  
*Sections 93g, 93gm, 122m, 124g, 124r, 1962zg, 1971m and 2072j*

These sections require the Building Commission, Wisconsin Housing and Economic Development Authority (WHEDA) and the Wisconsin Health and Educational Facilities Authority (WHEFA) to attempt to ensure that five percent of issues of public debt, evidences of revenue obligations or operating notes contracted in any fiscal year be underwritten by minority investment firms and that five percent of the total expenditures in each fiscal year for financial advisory services be expended for the services of minority financial advisors. WHEDA and WHEFA are required to attempt to ensure that five percent of total procurements in each fiscal year be with minority businesses. The Building Commission, WHEDA and WHEFA are required to report annually to the Department of Administration (DOA) on the achievement of these goals, and DOA is required to include such information in its annual report on state procurement from minority-owned firms.

I have partially vetoed these sections to remove references to all required goals for the underwriting of public debt, evidences of revenue obligations and operating notes, for WHEDA and WHEFA procurements, and for the utilization of financial advisory services. I am concerned that a statutory

requirement for the participation of any specific set of firms in the issuance of debt, revenue obligations or operating notes, or for related financial advisory services, could adversely affect the state's position in credit markets. In addition, I believe it is inappropriate to extend requirements for procurement goals to WHEDA and WHEFA, which are not state agencies and which do not receive appropriations from the state.

22. Office of Health Care Information  
*Section 430*

This section creates a new program revenue appropriation (20.505(1)(h)) for the boards, commissions and divisions attached to the Department of Administration (DOA). During the course of the budget deliberations, a proposal was made that an Office of Health Care Information be created and attached to DOA. References were made to this office in the new appropriation. In the final bill, as passed by the Legislature, the Office of Health Care Information was not created; however, the reference in the appropriation still remained. I am vetoing the reference to the office in this new appropriation to achieve a technical consistency with the legislative intent.

23. Limitations on Day Care Services Expenditures  
*Sections 132 as it relates to 20.512(1)(b), 434, 1931m and 3021(2d)(b)*

These provisions authorize the Department of Employment Relations (DER) to develop and operate a day care facility at the Northern Wisconsin Center for the Developmentally Disabled in Chippewa Falls, subject to certain expenditure limitations. I have partially vetoed these provisions in order to prohibit DER from developing a facility at Northern Center. The budget bill as passed by the Legislature more than triples my first year recommendations for the state employe day care pilot program. My veto will restrict expenditures for this program to the operation of one pilot day care facility. I will direct the Department of Administration to place the \$17,300 GPR budgeted for a facility at Northern Center in unallotted reserve during fiscal year 1987-88. In addition, my partial veto of section 132 eliminates funding from the appropriation schedule for day care services in fiscal year 1988-89. I do not believe a commitment of state resources to this program beyond fiscal year 1987-88 is appropriate at this time.

24. Day Care Services: Rule Making  
*Sections 1931mg, 3021(4r) and 3203(21)(cm)*

These sections require the Department of Employment Relations (DER) to promulgate rules to implement a fee structure based on employe ability to pay for the state's pilot day care program by the seventh month after the budget bill's effective date. These sections also include initial applicability provisions for the fee structure requirement. I have partially vetoed these sections to eliminate references to rule making and to modify the applicability provisions for the fee schedule requirement. These sections could result in a needless delay regarding

the implementation of a fee structure based on ability-to-pay, an objective I share with the Legislature. This partial veto maintains the requirement that DER establish a fee structure based on ability to pay and promotes a timely implementation of this requirement.

25. Comparable Worth Study  
*Section 3021(3m)*

This section requires the Department of Employment Relations (DER) to review its previous recommendations for the correction of gender or race-based pay inequities and submit findings and recommendations for distribution to the Joint Committee on Employment Relations by December 1, 1987. I have partially vetoed this section to remove the required deadline for submission of the findings and recommendations. No funding was provided for this study and I believe DER needs greater flexibility to complete it.

26. Study of Cafeteria Style Employee Benefits  
*Section 3021(2j)(a)*

This provision directs the Secretary of Employment Relations to study the feasibility and comparative cost of providing a "cafeteria style" employee benefits plan for state employes and submit findings and recommendations to the Joint Committee on Finance by October 1, 1987. I have partially vetoed this provision to remove the reference to the required deadline for submission of the study's findings and recommendations because I believe the Secretary needs more flexibility to complete it.

27. Recognition and Directed Application of Wisconsin Retirement System Investment Gains  
*Sections 436m, 683zm, 684r and 3204(19)(am)*

Section 683zm repeals section 40.02(17)(d)2 of the statutes, which provides GPR-funded post retirement benefit increases for a small group of specified individuals. Unlike the recipients of other GPR supplements funded under section 20.515(1)(a) of the statutes, this group receives the supplemental payment due to a retroactive modification of their benefit formula. It is questionable whether these supplements may legally be replaced with funds from earnings on the trust accounts. My partial veto deletes the repeal of section 40.02(17)(d)2.

Section 684r provides for the recognition and transfer of \$230 million from the transaction amortization account to fixed retirement investment trust reserves. I have partially vetoed this section to eliminate a provision which directs that the portion of the transfer credited to the fixed employee accumulation reserve be included in the determination of interest credited to individual employee accounts as of December 31, 1987. This provision supersedes current law, which provides a five percent interest credit limitation to individual employee accounts for service after December 31, 1984 for participants hired on or after January 1, 1982 and to all

service for participants hired after December 31, 1984. The interest credit limitation was established by 1983 Wisconsin Act 141 as one means of internally funding retirement benefit improvements contained in that act. There is no sound public policy rationale for creating a precedent which subverts the interest credit limitation. In addition, I have vetoed a provision which specifies that the special performance dividend provided by this section be "equal to" the current GPR supplement. The actuarial consultant to the Wisconsin Retirement System will determine the precise amount which can be paid by the transfer from the transaction amortization account. The supplemental appropriation under section 20.515(1)(a) of the statutes remains to assure that annuitants affected by this section are held harmless.

Finally, my partial vetoes of sections 436m and 3204(19)(am) reflect necessary technical changes to appropriation and effective date language which result from my veto of the repeal of s. 40.02(17)(d)2.

28. Long-Term Care Insurance Coverage  
*Sections 70w, 683zn, 683zt, 684q, 684qc, 688c, 688L, 688Lp, 688p and 688r*

These sections establish a new requirement that the Group Insurance Board (GIB) offer long-term care insurance to Wisconsin Conservation Corps enrollees, state employes, certain Wisconsin Retirement System annuitants and certain individuals who have separated from state service, and their spouses, children and parents. To meet this requirement, the GIB is required to offer any insurance company long-term care insurance policy that has been approved by the Commissioner of Insurance for sale in Wisconsin, if the insurer requests it be offered. Although this concept merits consideration, I have vetoed these sections because a new insurance program affecting active and retired Wisconsin Retirement System participants should not be established until it has been considered by the appropriate legislative committees.

29. Assignment of Wisconsin Retirement System Benefits  
*Sections 688g and 688j*

These sections provide that Wisconsin Retirement System (WRS) retirement annuities are subject to assignment under section 767.265 of the statutes for child and spousal support. Under current law, WRS rights and benefits are not assignable. I have vetoed these provisions because they fail to address assignment in a comprehensive fashion. These provisions do not address disability annuities or lump sum separation benefit payments, which are more pertinent to child support than retirement annuities. No effective date or applicability provisions are provided, which raises questions whether those already retired would have their contractual rights to a WRS annuity affected by the assignment clause. Although the development of an assignment process for WRS rights and benefits merits consideration, the issue should be dealt with in a

comprehensive fashion which balances the interests of all parties.

30. Allowance for Creditable Military Service  
*Section 683z*

This section allows the crediting of military service for both a federal military pension and a Wisconsin Retirement System (WRS) annuity benefit if the federal military pension is based on reserve service. Current law excludes the crediting of military service for WRS annuity purposes if the military service is used to establish an entitlement to a federal benefit other than disability or OASDHI. I have vetoed this provision because retirement issues should be considered, when possible, by separate legislation.

31. Joint Survey Committee Retirement Research Director  
*Sections 10m, 12L and 1938t*

These sections modify the method of appointment for the research director of the Joint Survey Committee on Retirement Systems (JSCRS) by removing the position from the classified service and placing appointment authority with the Joint Committee on Legislative Organization. I have partially vetoed these sections because the existing method of appointment and the inclusion of the staff director's position in the classified service have well-served the objective of sound, nonpartisan research on retirement issues.

32. Effective Date of Change of Term  
*Section 18g*

This section provides that the Commissioners of Banking, Credit Unions, Insurance, Savings and Loan and Securities will serve at the pleasure of Governor but only after the expiration of the terms of the incumbents. I am partially vetoing this section so that this provision will take effect immediately.

33. Minimum Wage  
*Sections 70u, 862ap, 961g, 961r, 1015m, 1710b, 1710c, 1710d, 1710e, 1710g, 1710h, 1710i, 1710j, 1710k, 1710m, 1710n, 1710p, 1710q, 1710r, 1710s, 1710t, 1710v as it relates to the minimum wage, 1710x, 1962zr, 1962zt, 2047x, 2059m, 2142g, 2142m, 2142r and 3204(30)(cg)*

These sections establish a statutory schedule to raise the state minimum wage from \$3.25 per hour to \$3.55 per hour on January 1, 1988, and to \$3.85 per hour on January 1, 1989. Under current law, the Department of Industry, Labor and Human Relations sets the state minimum wage by rule. The section also raises the minimum wage for members of the Wisconsin Conservation Corps to \$3.52 per hour.

I am vetoing these sections because raising the minimum wage would be detrimental to both state businesses and to individuals seeking employment. The state minimum wage, as contrasted to the federal minimum wage, primarily affects small businesses which create the

majority of the state's new jobs. Raising the minimum wage to these levels would discourage small companies from adding new employes. At the same time, young people needing work experience and older individuals seeking to supplement their incomes would lose employment opportunities because they fill the majority of minimum wage jobs.

In addition, raising the state's minimum wage as proposed would: (1) contribute to inflation by increasing consumer prices; (2) result in fewer jobs overall as lower paying jobs are eliminated as too expensive; and (3) discourage new business creation by increasing costs.

The problems of low income and underemployment are best addressed by creating more jobs, providing job training and implementing welfare reform. My proposals in these areas will accomplish more for Wisconsin workers and employers than a higher minimum wage.

34. Tax Credit Certification  
*Section 1702m*

This section prohibits the Department of Industry, Labor and Human Relations from certifying for the Targeted Jobs Tax Credit any employer engaged in a labor dispute. I am vetoing this provision because it conflicts with federal law which prohibits states from refusing certification on this basis. According to an Attorney General's opinion dated May 11, 1987, the state must process employer applications for the tax credit without regard to whether a labor dispute is in progress.

35. Apprenticeship Program Modifications  
*Sections 1710vd, 1710vh, 1710vp, 1710vt and 3203(30)(aj)*

These sections limit the establishment of a joint apprenticeship committee for the construction trades where one already exists. The effect is to minimize the participation of nonunion construction firms in the apprenticeship system.

I am vetoing this provision because it treats employers with nonunion workers differently than employers with unionized workers.

36. Employee Protections  
*Sections 1217p, 1710ae, 1710ag, 1710ak, 1710am, 1710v as it relates to employee protection, 1717g and 3203(30)(bj)*

These sections provide certain protections to employees who cooperate with the Department of Industry, Labor and Human Relations in its investigations of possible violations of wage and labor laws.

I am vetoing these sections because this issue represents major public policy, is important to employers and employes and should receive public scrutiny rather than being placed in the budget. In addition, the drafted language poses administrative problems for the department and should be reviewed in depth.

37. Assessment of Judicial Misconduct Proceedings Costs  
*Sections 2128g and 2129m*

These sections require that the costs relating to proceedings of the Judicial Commission be assessed against a judge found to have been engaged in misconduct. I am vetoing this provision because it distinguishes judges from other elected officials who may be proceeded against by the Ethics Board. In addition, the provision was included to treat judges similarly to attorneys who are proceeded against by the Board of Attorneys Responsibility. However, those attorneys are not required to pay the cost of investigative proceedings, which would be required of judges.

38. Jail Assessment Surcharge  
*Section 1142t*

This provision creates a jail assessment surcharge to be levied on all fines and forfeitures imposed for violations of state laws or municipal or county ordinances, except those laws or ordinances involving nonmoving traffic violations. The surcharge is directed to be one percent of the fine or forfeiture imposed or \$10, whichever is greater. The revenues generated by the surcharge are to be retained by the counties for construction, remodeling, repair or improvement of county jails.

I am vetoing the sunset provision of October 1, 1988. The need for construction, remodeling, repair and improvement of county jails is an ongoing problem that directly affects the state corrections system and requires continual funding.

39. Petitions Regarding Cemeteries  
*Section 1883t*

This section provides that a district attorney may petition the court to direct a town to assume responsibility of a cemetery that has fallen into disrepair. Current law allows six or more citizens to petition the court to take such action. I am vetoing this provision because it is a nonbudget policy item that should not be included in the budget bill.

40. Notice of Annual Child Support Fee  
*Sections 2143q and 2143r*

Currently, the courts inform those who have child support orders that they will be assessed an annual receipt and disbursement fee. The courts also remind obligators of this requirement annually, usually on the anniversary dates of the court orders. These sections require the court to provide the notification 30 days before the due date of the annual fee imposed for the year in which payments are ordered and on December 1 annually thereafter.

I am vetoing these provisions because the proposed time limitations add an additional, unnecessary burden to the clerks of court which would greatly increase their workload. Meeting the December 1 date of notification requirements would be particularly difficult because the

clerks of court send out tax intercept notices at the same time. It should also be noted that the Department of Health and Social Services' computerized Child Support Data System, scheduled to be implemented later this year, will also provide a notice of the annual fee to obligators.

41. H&SS Hearing Examiners in Paternity Cases  
*Section 2135b*

This provision provides that in Milwaukee County judges, with the agreement of the Secretary of the Department of Health and Social Services (DHSS), may designate hearing examiners employed by DHSS to act as family court commissioners in paternity cases. I am partially vetoing this section because it would be inappropriate for the agency, a major litigant in many of the cases, to be involved in selecting the decision maker for the case.

42. Municipal Court Contempt Cases  
*Section 2233c*

This section restricts the State Public Defender from providing legal services or assigning counsel for cases involving a person subject to contempt of court proceedings for failure to pay a forfeiture to a county or municipality. I am vetoing the provision that makes an exception for persons already being represented by a public defender, because it is inconsistent with the policy that it is inappropriate for State Public Defender attorneys to be involved in these cases.

43. Decriminalization of First-Time Issuance of Worthless Check Offenses  
*Sections 2180m and 3203(57)(bm)*

These provisions change the first-time offense for issuance of worthless checks (involving less than \$500) from a criminal violation to a civil violation. This change was included in the budget as a means of cutting cases in the State Public Defender program. Although I strongly support the need to contain costs in this program, I am vetoing these provisions because hasty decisions regarding decriminalization are not the appropriate remedy to caseload problems. Decriminalization can send the wrong message to violators and their victims and reduces a district attorney's discretion when prosecuting cases. It is a serious step and requires thorough review and analysis.

44. Public Defender Staff  
*Section 132 as it relates to ss. 20.550(1)(a) to (d)*

I am vetoing 1988-89 funding in these appropriations because of my concern over the additional 39.9 FTE GPR positions included in the State Public Defender (SPD) budget by the Legislature. This results in a 50 percent increase in the Trial Division staff in less than five years. I am aware of the caseload pressures on this agency; however, my budget proposal included provisions to deal with the caseload increases without increasing staff.

The misdemeanor flat fee proposal was a responsible alternative that responded to direction by the Legislature in 1985 Wisconsin Act 29 and provided safeguards to ensure quality representation for indigents.

It appears that some legislators may have supported increased SPD positions under the assumption that it was a less costly alternative than the flat fee proposal. This is not the case. The cost estimates for the proposal to increase staff were based on reduced caseload estimates. Had those same estimates been factored in the flat fee system, an additional \$0.5 million would be saved in this budget.

It is possible to deal with caseload increases and ensure quality without hiring additional positions. It is my intention to continue to veto the Public Defender appropriations until the agency works with me in developing those alternatives, as well as alternatives regarding representation in paternity cases.

45. Attorney Caseloads  
*Section 2240g*

This provision reduces the staff attorney statutory workload standards from 184.5 to 160 felony cases per attorney per year. I am vetoing the reduction at this time because staff workload reductions cannot be considered until other alternatives are developed to deal with the agency's caseload. I am willing to work with the agency to develop a caseload alternative in conjunction with the misdemeanor flat fee proposal in the 1988-89 budget.

46. Separate Bargaining Unit--Unclassified Attorney Positions  
*Sections 534, 1721a, 1721b, 1721c, 1721d, 1721e, 1721f, 1721g, 1721h, 1721i, 1721j, 1721p, 1721s, 1721t, 1721w and 1952m*

These sections create a separate bargaining unit consisting of unclassified staff attorneys employed by the State Public Defender Board. The new bargaining unit would be allowed to elect to remain unrepresented, to be represented as a separate bargaining unit, or to merge with the professional legal bargaining unit representing classified state attorneys. I am vetoing these provisions because it would be unprecedented for nonacademic positions in the unclassified service to form a bargaining unit. In addition, the provisions would create an excessively fragmented bargaining unit and create bargaining community of interest problems.

47. Expert Witness Funds  
*Section 442x*

This section provides that expert witness funds in the State Public Defender (SPD) private bar and investigator reimbursement appropriation may be used for expert witness expenses in cases represented by either SPD staff or private bar attorneys. I am vetoing this provision because unanticipated shortages in the staff appropriation should be remedied through the process provided under section 13.10 of the statutes. Providing access to the private bar appropriation for staff expert

witness costs could result in insufficient funds to pay private attorney bills.

48. Law Enforcement Reimbursement--Labor Strikes  
*Sections 132 as it relates to s. 20.455(2)(jc), 407g, 407x, 1889, 1893p, and 3201(30)(em)*

These provisions provide for cities to be reimbursed for onehalf of the police overtime costs incurred in conjunction with maintaining peace during labor strikes. Funding would be provided from the Department of Justice law enforcement training fund. I must reject the concept of using law enforcement training funds to ease a local tax burden. To do so would set a precedent that would make it difficult to deny future local claims on this source of funds from municipalities with other equally important special circumstances. In the short term a few communities may realize a benefit. However, in the long term use of these funds will be to the detriment of maintaining professional standards in the law enforcement profession.

My veto of these provisions is based on the inappropriate funding source. I am cognizant of the economic impact of a protracted strike on a city and believe that in certain unusual circumstances some sort of assistance should be available. However, the appropriate funding source is the general fund. I would support efforts to deal with this problem with limited general purpose revenues in the fall.

49. Special Counsel Appropriation  
*Sections 132 as it relates to 20.455(1)(b) and 398r*

These provisions change the Department of Justice special counsel appropriation (20.455(1)(b)) to a sum certain appropriation. Under current law the appropriation is sum sufficient. Although I support the concept of having few sum sufficient appropriations, I am vetoing this change for the special counsel appropriation because it could result in an inability to respond to a lawsuit because of insufficient funds. The statutes provide that a written contract must be developed when special counsel is employed and that the Governor must certify the maximum amount provided in the employment contract. Therefore, considerable statutory safeguards currently exist for administering the appropriations that are not available in other sum sufficient appropriations.

50. Modified Distribution of the Penalty Assessment Surcharge

*Sections 180g, 185w, 297a, 297b, 3036(1g) and 3204(15)(am) as it relates to the modified distribution of the penalty assessment surcharge*

These sections would reallocate funds from other activities if revenues raised from the penalty assessment surcharge are not adequate to fully fund justice training, crime laboratory equipment and prison guard training appropriations. I am vetoing these sections so that any unexpected shortfall in revenues would be shared proportionately among appropriations funded by the penalty assessment surcharge. Although intended only

to protect selected programs from loss of projected funding due to increased demand on the surcharge, the provision actually guarantees increased funding even if revenues decline.

51. **Statistical Analysis Center--Transfer to Justice**  
*Sections 132 as it relates to ss. 20.420(1)(am) and 20.455(2)(am), 296r, 296s, 1886c, 1886e, 1886g, 1886i, 1886j, 1886m, 1886p, 3015(1m)(a) to (c) and 3204(15)(am)*

These provisions direct that, upon elimination of the Wisconsin Council on Criminal Justice (WCCJ), the Statistical Analysis Center (SAC) is to be transferred to the Department of Justice (DOJ) instead of the newly created Office of Justice Assistance (OJA). All other functions of WCCJ will transfer to OJA. I am vetoing the transfer of SAC to DOJ.

I proposed the elimination of WCCJ and creation of OJA because of concerns I had about the ability of WCCJ to be effective given the negative image associated with the agency. The proposal I submitted to the Joint Committee on Finance resulted in a savings of 12.0 positions and \$37,600 GPR. Those substantial savings are not possible if the SAC functions are transferred to the Department of Justice. This is because the position reduction assumed the SAC staff would continue to be available to monitor and provide advice on all OJA programs. Splitting SAC from the other OJA functions would require additional OJA staff.

It is my intention that the WCCJ general program operations appropriation (to be transferred to OJA October 1, 1987) will be funded at \$282,800 GPR in 1987-88 and include funding for the statistical analysis center.

52. **Local Matching Funds for Drug Enforcement Grants**  
*Sections 1892a and 1892b*

These sections require local recipients of law enforcement grants under the Federal Anti-Drug Enforcement Program to contribute 10 percent of the amount of the grant. As worded, the associated program revenue appropriation would have been inadequate to provide the remaining required nonfederal match. I am partially vetoing these sections so that local recipients provide 10 percent of the project cost. This corrects a technical error made when the Legislature amended SB 100 to require a local contribution. My budget bill funded the entire nonfederal match from state program revenue and would not have required local governments to raise additional revenue.

**B. Taxes**

1. **Individual Income Tax--Capital Gains Exclusion**  
*Sections 1276rs and 1276x*

These sections provide for an individual income tax exclusion of none of the net capital gain on assets held one year or less, 30 percent of the net capital gain on

assets held more than one year but not more than five years, and 60 percent of the net capital gain on assets held more than five years. I have vetoed this provision in such a way as to provide a 60 percent exclusion for net capital gains on assets held more than one year. This also requires a partial veto of the provisions for net capital loss to remove references to the holding periods.

I have repeatedly stated my commitment to maintaining the current law exclusion for 60 percent of capital gains, and it should come as no surprise to anyone that I have vetoed these provisions. Few other states have retained any exclusion for capital gains as they have federalized their income tax bases, and I think it is important that Wisconsin stand out from the other states in sending this positive signal to investors.

I am convinced that retaining an exclusion for capital gains income will be good for Wisconsin's economic development. Retaining a capital gains exclusion is also equitable, as such gains typically reflect some effects of inflation and should not be treated as real increases in income. I have thought it to be important to retain the 60 percent exclusion even for assets held less than five years because of the adverse impact that the 30 percent exclusion would have on some important elements of the state's economy, particularly Wisconsin's farmers, whose livestock income is often treated as capital gains.

2. **Individual Income Tax--Alternative Minimum Tax**  
*Section 1475m*

This section creates an alternative minimum tax that includes in alternative minimum taxable income the portion of capital gain that is excluded from taxation under the regular income tax. I have partially vetoed this section to exclude such capital gains from the minimum tax base. Including it has the effect of taking away a substantial portion of the benefit from the net capital gain deduction under the regular income tax.

3. **Individual Income Tax--Group Legal Assistance**  
*Section 3047(1d)*

This section makes a retroactive change in the treatment of benefits received under a group legal assistance plan for tax year 1986. I have vetoed this change because I do not regard this type of retroactive change as appropriate. There are often some differences between state and federal law due to the delay in adopting federal law changes. Allowing this change would set an unfortunate precedent for future requests for retroactive tax changes.

4. **Individual Income Tax--Claim of Right Doctrine**  
*Sections 132 as it relates to s. 20.835(2)(b), 461m, 1378r as it relates to repayment of income previously taxed, 1407i, 1480n as it relates to the claim of right credit and 3203(47)(ok)*

These sections establish a refundable tax credit for the tax on income that was previously taxed under the claim of right doctrine. I have vetoed these provisions because they may lead to potential problems from a technical standpoint due to possible misinterpretation. My veto



will still permit taxpayers to include repair income among the deductions qualifying for the state five percent itemized deduction tax credit.

5. Individual Income Tax--Adoption Expenses  
*Section 1378r as it relates to adoption expenses*

This section details the calculation of the state five percent income tax credit based on federal itemized deductions. I have partially vetoed this section to eliminate an add-back of adoption expenses to medical costs that are deductible to the extent that they exceed 7.5 percent of federal adjusted gross income because it results in an increased cost to the state and provides limited benefits to few taxpayers.

6. Individual and Corporate Income Taxes--Handicapped Access Credit  
*Sections 1407m, 1478s, 1480na and 3203(47)(hm)*

These sections create a 50 percent tax credit, up to \$100,000, for expenditures to eliminate or modify architectural barriers to access for handicapped employees. I have vetoed these provisions because, although the goal of handicapped access is laudable, the credit provides an excessive state tax benefit for this purpose. Both individuals and corporations may now expense up to \$35,000 of such costs in the current year in lieu of claiming depreciation. My veto still provides a favorable tax benefit that furthers the removal of structural barriers to handicapped access while maintaining state conformity to federal tax law.

7. Individual and Corporate Income Taxes--Foreign Income Deferral  
*Sections 1439em and 3203(47)(og)*

These sections permit taxpayers, other than corporations with a domestic international sales corporation (DISC) or a foreign sales corporation (FSC), to defer tax on the income from increased exports for up to five years. I have vetoed these provisions because tax deferral benefits are available to corporations with DISCs or FSCs. Allowing tax deferral benefits to any taxpayer, including individuals, without rules equivalent to the rules for DISCs and FSCs would greatly complicate the state income tax and could lead to tax avoidance activity. It is also unclear that deferral would promote the state's economic development, as it may not provide sufficient benefits to small businesses to allow them to significantly expand their export activities.

8. Individual and Corporate Income Taxes--Well Contamination Payments  
*Sections 1011t, 1265n, 1268k, 1382 and 3203(47)(xp)*

These sections provide an exclusion for income tax purposes for payments made by the Department of Natural Resources to compensate well owners for the cost of correcting contamination problems. These sections also exclude such payments from household income for purposes of the Homestead and Farmland Tax Credits. I have vetoed these provisions because they

unnecessarily complicate the state's tax code. Such payments were included in the tax base in the last state tax reform as part of base broadening, and they are included in the federal tax base as well. There is insufficient rationale to remove them from household income for the purposes of state tax credit programs.

9. Corporate Income Tax--Minimum Tax  
*Sections 1468m, 1477o, 1480p and 3203(47)(xr)*

These sections create a corporate alternative minimum tax. I have vetoed these provisions because they would damage the state's business climate. Only a few other states impose a corporate minimum tax. Such a tax is also complicated to administer and would generate relatively little revenue while entailing significant compliance costs for taxpayers and the state. The budget bill substantially federalizes the state's corporate income tax, thereby providing for reduced taxpayer compliance costs. It would be counterproductive to add complexities to the tax code for the minimum tax while making a major attempt to simplify the regular corporate tax.

10. Utilities Tax--Telecommunications Resellers  
*Sections 1563tm, 1563tma, 1564c, 1564cm and 3204(47)(jm)*

These sections permit telecommunications resellers to deduct their access expenses from their gross revenues in determining their tax. I have vetoed these provisions in order to maintain tax equity among telecommunications service providers. Under other provisions of this bill, inter-exchange carriers are allowed to deduct 14.5 percent of their access expenses in determining their tax. This veto will allow resellers the same deduction as other providers.

11. Sales Tax--Repair of Nonresident Aircraft  
*Section 1581m*

This section provides that repairs and other services to nonresident motor vehicles, aircraft or truck bodies are subject to sales tax when delivery is made in Wisconsin. I have partially vetoed this section and thereby retained the exemption for nonresident aircraft, since repeal of the exemption may impair the competitive position of Wisconsin aircraft repair firms. Aircraft repair and refurbishing can be costly, and owners can easily transport aircraft a substantial distance to gain a price advantage. The addition of state sales tax to the charge could make Wisconsin firms less competitive.

12. Use Tax--Boats Berthed in Boundary Waters  
*Sections 1584s and 3204(47)(jj)*

These sections remove several restrictions from the conditions under which a nonresident boat owner may berth a boat in Wisconsin boundary waters without having to pay the Wisconsin use tax on the boat. I have vetoed these provisions for several reasons. First, the requirements for registering a boat and for applying the sales and use taxes to a boat should be consistent, and these provisions make them inconsistent. Second, these

provisions are inequitable in that they unduly favor nonresidents over residents.

13. Tobacco Products Tax

*Sections 472b, 1784wb, 1784wd, 1784wf, 1784wh, 1784wj, 1784wm, 1784wp and 3204(47)(jb)*

These sections convert the current occupational tax on persons engaged in distribution and sale of tobacco products, other than cigarettes, to an excise tax on tobacco products. Members of Indian tribes would then collect the tax and remit it to the state, but the bulk of the proceeds would be refunded to the tribes. I have vetoed these provisions because they would be difficult to administer. The tax on tobacco products is based on the wholesaler's purchase price. As a result, it is not possible to determine easily what tax was paid on the products sold by a given retailer. Moreover, refund arrangements need to be worked out carefully beforehand between the state and the tribes involved.

14. Homestead Tax Credit--Formula Changes

*Sections 1383, 1388g, 1388m, 1388r, 1393b, 1393g, 3202(47)(bm), 3203(47)(bm) and 3204(47)(fm)*

These sections provide a phase-in over two years of increases in the maximum household income, the threshold income, and the maximum eligible property taxes for the Homestead Tax Credit program. I have vetoed these provisions because the increases involved are inappropriate for a program designed to assist low-income households in paying their property taxes. Family income levels of \$18,000 and \$19,500 are well above the poverty threshold.

The Homestead Tax Credit has been an effective means of reducing the negative impact of property taxes on low-income households, and current law will provide over \$190 million in benefits over the biennium for this purpose. Additional major expenditures for state property tax relief programs should be made only in conjunction with a comprehensive plan such as I hope to see come from the Local Property Tax Relief Commission which I have appointed.

15. Farmland Tax Credit--Formula Changes

*Sections 1407, 1407ar, 1407cp, 1407d, 1407f and 3203(47)(dg) and 3204(47)(eg) as they relate to the formula and depreciation changes*

These sections change the factors used to calculate Farmland Tax Credits in three ways: (1) they increase the depreciation exclusion for household income from \$25,000 to \$30,000 per household; (2) they reduce the percentages of household income used to calculate excessive property taxes; and (3) they increase the amount of eligible property taxes. I have vetoed the sections which reduce the percentages of household income used to calculate excessive property taxes and increase the amount of eligible property taxes. I have also partially vetoed the section on the depreciation exclusion to return it to \$25,000 and to clarify that this is the total depreciation exclusion for a household.

Although I recognize the great need for farm property tax relief, I also recognize that the Farmland Credit as currently structured yields generous benefits for the low- and moderate-income farmers who participate in the program and that the costs of this program have been growing rapidly.

While it is a worthy program, the current Farmland Credit benefits only some farmers. The Local Property Tax Relief Commission has been charged with formulating a plan to relieve all property taxpayers, including farmers. I believe that, as with the Homestead Credit, additional major farm property tax relief expenditures should await the comprehensive recommendations I expect from the commission.

16. Farmland Tax Credit--Minimum Credit

*Sections 1407h and 3203(47)(dg) and 3204(47)(eg) as they relate to the minimum credit*

These sections provide a minimum credit of 10 percent of eligible property taxes for farmland subject to a farmland preservation agreement. I have vetoed these provisions as an inappropriate extension of the minimum credit. Only farmland covered by an exclusive agricultural use zoning ordinance is eligible for the minimum credit under current law. Making a minimum credit available also to agreement holders would reduce the credit's effectiveness as a tool for encouraging the adoption of exclusive agricultural use zoning ordinances.

17. Property Tax--Exemption for M&E

*Sections 1233mu and 3204(47)(ia)*

These sections basically reverse court decisions that have expanded the application of the manufacturing machinery and equipment tax exemption. I have vetoed this proposal because a study of the exemption has been directed elsewhere in the budget. It, therefore, seems inconsistent and premature to narrow the application of the exemption at this time. I am firmly committed to preserving this exemption which has done so much over the years to promote the location and expansion of manufacturing enterprises in Wisconsin. At the same time, I am aware of the need to preserve the property tax base. I have directed the Departments of Administration and Revenue to conduct their study and to make their recommendations with both of these objectives in mind in a timely manner.

18. Property Tax--Exemption for Charter Boats

*Sections 1233mx and 3204(47)(pv)*

These sections exempt charter boats from the property tax. I have vetoed these sections in order to maintain the property tax base and to preserve tax equity. Other intra-state income-producing boats, such as fishing boats, are subject to the property tax, as is most commercial property, and there is no compelling rationale to exempt charter boats.

In addition, the Property Tax Relief Commission is currently studying such exemptions. Any changes in this

area should come upon recommendation of the commission.

19. Property Tax--Exemption for Highways Lands  
*Sections 1233mw and 3204(47)(pu)*

These sections exempt lands dedicated for highway use from the property tax. I have vetoed these sections because they are unnecessary and administratively burdensome for local governments. Values exempted would most likely be offset by value increases attributed to the proximity of the remaining taxable property to public roads. These provisions are therefore unlikely to affect anyone's property tax significantly. However, the need to change local land descriptions for property tax purposes would impose a costly burden on local governments that should be avoided.

20. County Assessor Systems--Adoption Ordinances  
*Section 1260mr*

This section reduces the vote required to adopt a county assessor system from 60 percent to a majority of a county board. I have vetoed this section because I do not believe that there is a significant state interest in promoting county assessor systems. Assessing practices have been improved by assessor certification, "full disclosure," and requirements that local assessed values be closer to state equalized values. In addition, the adoption of county assessor systems by more counties would increase state costs for an outdated aid program, the repeal of which I have proposed.

21. Local Finance--Municipal Fire Hydrant Charge  
*Sections 1920oc and 1920od*

These sections permit a municipality to choose to have charges for water for fire protection purposes included in customer water bills rather than charged to the municipality. In general, I am sympathetic to the goal of replacing property tax revenues with alternative user fees where that is equitable and feasible. Nevertheless, I have vetoed these sections because the Public Service Commission is currently conducting a detailed investigation of the issue. I feel that the Commission should have the opportunity to complete its study and to take the actions it regards as appropriate. The Legislature could then take whatever further action it deems necessary and could do so with more opportunities for public participation than the budget process afforded this issue.

22. Local Finance--Municipal Sports Facilities Charge  
*Sections 1231m and 3203(57)(cg)*

These sections permit a first class city to impose a five percent user surcharge at certain types of sports and entertainment facilities. I have vetoed these sections because they establish an inappropriate tax that affects only one facility, the Bradley Center in Milwaukee. This is a local issue.

23. Local Finance--Water Rescue Fees  
*Section 1195p*

This section allows a county that provides water rescue services to charge a reasonable fee in nonlife-threatening situations. I have partially vetoed this provision by removing the restriction on the circumstances under which a county may assess such a fee. County officials should be allowed latitude to define such circumstances themselves. The public input processes and the accountability of local officials to their constituents are sufficient checks on possible abuses in the establishment of fees.

24. Local Finance--Omitted Taxes on Federal Property  
*Section 3047(7r)*

This provision requires that omitted property tax revenues from the past five years paid by the Farmers Home Administration be divided proportionately among all of the taxing jurisdictions. I have vetoed this provision so that municipalities may retain all of the proceeds of such tax collections. This nonstatutory provision is inconsistent with current treatment of taxes on omitted property and would set a precedent for special treatment of certain omitted taxes in the future.

25. Local Finance--Late Fees for Liquor Licenses  
*Sections 1781d and 1782g*

These sections prohibit municipalities from imposing late filing fees as long as payment is made before a liquor license expires. I have vetoed these sections because I believe it is reasonable to allow municipalities to establish a date before the expiration of a license by which a fee must be paid.

26. Liquor License for a Tavern not on a Lake  
*Section 1782v*

This section creates an exception permitting a municipality that meets certain criteria to grant an above-quota liquor license to a facility that meets specific criteria. This section was drafted very narrowly so as to apply only to one particular case. In this case, the facility currently has a beer license and wishes to obtain a liquor license. I have vetoed this provision because there is a license available from the municipality, which has chosen not to grant it.

27. Elderly Property Tax Deferral Loan Program  
*Section 1598*

This section subjects the interest rate set by the Secretary of Revenue for elderly property tax deferral loans to approval by the Joint Committee on Finance under the 14-day review process. I have vetoed this provision because it is unnecessary and inappropriate. The interest rate for other state loan programs is determined administratively and is not subject to legislative review. Such interest-setting is within the purview of the executive branch and ought not require legislative approval.

28. Tax Administration--Remittance of Local Sales Tax  
*Sections 1602s and 3204(47)(ic)*

These sections require dealers selling vehicles to remit county use tax collections to the Department of Revenue (DOR) along with state sales and use tax collections. Although I agree with the concept, I have vetoed these sections because of the resulting enforcement problems for county use taxes. Under current law, dealers remit the county tax to the Department of Transportation (DOT) or to the Department of Natural Resources (DNR) with the titling or registration request. If local taxes are remitted to DOR on a monthly or quarterly basis with state taxes, DOT and DNR will be unable at the time of the registration or titling request to determine that the local tax has been paid. This would increase the likelihood for tax evasion and could result in some loss of county tax revenues.

29. Tax Administration--Multistate Tax Commission  
*Section 3047(4m)*

This provision directs the Department of Revenue to take the action required to make the state an associate member of the Multistate Tax Commission. I have vetoed this provision because the Department of Revenue has determined that there are minimal benefits to be gained from such membership since the state has an aggressive audit program. As a result, payment of MTC membership costs would not be an efficient use of limited state resources.

30. Tax Administration--Great Lakes Interstate Sales Agreement  
*Section 3047(1bs)*

This provision requires the state to withdraw from the Great Lakes Interstate Sales Compact. I have vetoed this provision although I agree that the state should withdraw from the compact. We entered into this compact through an executive order. Therefore, it is appropriate that I issue an executive order directing that Wisconsin withdraw from the agreement. I will issue such an executive order in the near future.

31. Sales Tax Information Sharing Agreements  
*Section 1589r*

This section requires the Department of Revenue to promulgate as administrative rules all agreements affecting businesses in the state and made with another state relating to sharing sales tax information. I have vetoed this section because the requirement is inappropriate and unnecessary. The current law is clear and needs no interpretation by rule. Sharing of information has been done for years under current agreements and has proved an effective and cost efficient enforcement tool.

32. Tax Information  
*Sections 1439g, 1439m, 1439s, 1440p, 1440q, 1492m, 1613s, 1784wa, 1784wag and 1784wi*

These sections require the Department of Revenue to provide new tax liability information for corporate taxpayers to anyone who requests it and pays a fee to cover costs. In addition, protections against misuse of the information in current law are eliminated.

I am vetoing these provisions to protect the confidentiality of tax records and to discourage frivolous requests for private information. Current law provides adequate access to tax information.

33. Tax Administration--Study of M&E Exemption  
*Section 3047(1j)*

This provision directs the state auditor, the co-chairpersons of the Joint Legislative Audit Committee, two minority members of the Legislature, the Department of Revenue and the Department of Administration to conduct a study of the manufacturing machinery and equipment (M&E) tax exemption and to make a recommendation by September 1, 1987, on reversing recent court decisions. I have partially vetoed this provision by removing the state auditor and legislators from the study group, by deleting the stated reporting date and by deleting the restriction on the nature of the recommendations. The Joint Legislative Audit Committee has already made its recommendation on the issue, and I think it appropriate for the executive branch to study and make its recommendation to the Legislature. It is not possible to conduct a thorough study so soon, and I do not regard it as appropriate for the result of the study to be so narrowly restricted beforehand by the Legislature.

34. Tax Administration--Legislative Council Study  
*Section 3037(18f)*

This provision requests that the Legislative Council study interstate sales and use tax agreements and the feasibility of membership in the Multistate Tax Commission and of instituting domestic combination of income for purposes of the corporate income and franchise taxes. I have vetoed this requested study as unnecessary. Interstate agreements have proven effective, Wisconsin's auditing program is superior to the MTC's, and the Department of Revenue conducted a study of combined reporting which was reported to the Legislature in 1984.

### C. Education

1. Minimum School Aids  
*Sections 1766n, 1766o, 1766p and 1766s*

These provisions reduce the minimum aid payments to eligible school districts from \$150 and \$250 to \$135 and \$225, respectively, and limit future eligibility for minimum aid to districts which received minimum aid in the prior year. I am vetoing these provisions to continue the minimum aid program as provided for under existing

law. The minimum aid program guarantees a base level of aid to districts which may have high property values per student, but relatively low incomes.

The minimum aid program was created to recognize that property value is not a perfect indicator of ability to pay. To prohibit a district from receiving minimum aid in future years simply because the district exceeds the requirements of the minimum aid program in one year fails to recognize that the distribution of general aid can change dramatically from year to year. School districts should not be permanently prohibited from receiving minimum aid because of a one-year fluctuation in their level of general aid. I am also directing the Local Property Tax Relief Commission to evaluate alternatives which would make all districts eligible to receive at least some general aid in future years.

2. Milwaukee Public Schools--Borrowing Referendum  
*Sections 1755b and 1755c*

These provisions would permit the Milwaukee Public School system to issue 10-year promissory notes. I am vetoing these sections because the Milwaukee Public School system already has the authority to issue bonds with voter approval. Promissory notes only require voter approval if a petition with 500 signatures requesting a referendum is submitted. Allowing the Milwaukee Public School system to incur additional debt without voter approval, unless a petition for referendum is filed, does not serve the interests of taxpayers.

3. Certification of Athletic Associations  
*Sections 1730m and 3203(44)(ad)*

These sections 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 sections because the issue of private school participation in the Wisconsin Interscholastic Athletic Association is complex, not budget related and should not be addressed by creating additional mandates. Wisconsin is one of only four states that do not have combined public and private school associations. I believe that Wisconsin should do what is in the best interest of its school sports participants. Most state's have concluded that a combined organization serves the participants best. Therefore, I strongly urge public and private elementary and secondary schools to resolve their differences over athletic conference membership and agree on legislation on this issue, if necessary.

4. Site-Based Management Program  
*Sections 132 as it relates to 20.255(2)(fc), 185m and 1755cp*

These provisions permit the Milwaukee Public School System to establish a site-based management program. These provisions also create a \$395,000 GPR biennial appropriation to fund curriculum development and site-

based management training for parents and school staff. While the concept of site-based management may have merit, I am vetoing these provisions because school districts already have the authority to establish site-based management programs. In addition, funding to implement a site-based management program should be locally derived to ensure local accountability for the program's success.

5. Children-at-Risk  
*Sections 1752m, 1752p, 1752q and 1755cm*

Sections 1752m and 1752q expand the definition of children-at-risk to include students with parental permission to be excused from compulsory attendance. Section 1752p eliminates the requirement that students continue to reside in the school district to be considered dropouts. In addition, section 1755cm requires the Milwaukee Public School system to use \$60,000 of children-at-risk funds to hire coordinators to provide support services to schools, single-parent pupils and other children-at-risk. I am partially vetoing section 1752m and vetoing sections 1752p, 1752q and 1755cm because they involve significant changes to existing children-at-risk statutes. More analysis and discussion of the impact of an expanded children-at-risk definition on local and state costs is required. Furthermore, the state should not make specific spending decisions for a single school district.

6. P-5 Program  
*Section 1762m*

This provision requires the Department of Public Instruction to receive approval from the Joint Committee on Finance before expending any funds for the P-5 Program. I am partially vetoing this provision to permit the Joint Committee on Finance the opportunity to review the department's budget plan, but not the authority to approve it. The department currently has the authority to distribute all other general and categorical aids without prior legislative approval. The P-5 Program is not fundamentally different than any other school aid program. The development of a specific spending plan is properly an administrative function.

7. Aid for Suicide Prevention Programs  
*Sections 44t, 185v, 3044(7a), 3201(24)(am) and 3204(44)(fm)*

These provisions would eliminate July 1, 1989 sunset dates for the Council on Suicide Prevention and aid for suicide prevention programs. I am vetoing these provisions because the original intent of this legislation was to provide start-up assistance for school districts to develop suicide prevention programs. After four years, school districts were expected to incorporate and fund suicide prevention programs as part of their regular curriculums. These provisions would extend indefinitely what was intended to be a limited-term activity. School districts would continue to be eligible to receive general equalization aids for costs related to suicide prevention programs.

8. Aid for CESA Administration  
*Sections 185o and 1750m*

These provisions reduce aid for CESA (Cooperative Education Service Agencies) administration from \$25,000 per CESA to \$12,500. I am vetoing these sections to restore CESA aid to the level originally proposed in my budget. This veto has the effect of reducing CESA funding for Human Growth and Development activities from \$307,200 statewide to \$157,200, while increasing administrative funding by \$150,000. Overall funding of CESAs will be unaffected by this veto. To the extent possible, CESA funding for program specific activities, such as human growth and development projects, should come from local sources and reflect local needs.

9. Morning Milk Program  
*Sections 1741s and 3054(4j)*

Section 1741s creates a local assistance program beginning in 1988-89 to provide free morning milk to public kindergarten through fifth grade students who meet National School Lunch Program income guidelines. I am partially vetoing this provision to expand the program to include both public and private school kindergarten through fifth grade students. Private schools are eligible to participate in the federal School Breakfast and National School Lunch Programs and should be permitted to participate in Wisconsin's Morning Milk Program.

I am also directing the Department of Public Instruction to evaluate the reasons for Wisconsin's low participation rate in the federal School Breakfast Program. In the 1985-86 school year, only eight percent of Wisconsin school districts participated in the School Breakfast Program.

Section 3054(4j) directs the University of Wisconsin-Extension to study the calcium intake of adolescent women. As a cost saving measure, I am vetoing section 3054(4j). However, if the UW determines that such a study could yield significant results, it should pursue outside funding for the study, possibly from the Milk Marketing Board.

10. School Bus Seat Belt Study  
*Sections 132 as it relates to 20.255(2)(rm), 185x, 559 as it relates to 20.255(2)(rm), 559g and 3044(5rm)*

These sections provide \$100,000 from the Transportation Fund to the Department of Public Instruction to study safety standards on school buses, focusing on the use of seat belts. The study is to address both safety and legal issues. I am vetoing these sections because they would duplicate a study completed in March 1987 by the National Transportation Safety Board. In addition, the California Legislature and the federal Department of Transportation are both undertaking studies of the school bus seat belt issue. It is unlikely that a Wisconsin study would uncover any new information. Finally, this

is the type of initiative which should be pursued through separate legislation.

11. Private School Placement  
*Section 1762p*

This provision would clarify Milwaukee Public School membership for state aid purposes to include students enrolled in private, nonsectarian schools through contractual agreements between the school district and the private school. I am partially vetoing this provision so that it applies to all school districts and not only Milwaukee. Private, nonsectarian schools and programs provide unique learning opportunities to students with needs that cannot be adequately addressed in the public schools. These situations are not unique to Milwaukee. School districts pay tuition under these contractual agreements and should be eligible to receive state aid on these costs.

12. School Equalization Formula--Membership Count  
*Sections 1762o, 1762r and 3203(44)(ab)*

These provisions add a May pupil count day to the existing September and January pupil count days to determine district membership for use in the school equalization aid formula. I am vetoing these provisions because the May pupil count day would place an additional mandate on school districts with no apparent benefit. It is questionable that adding a third attendance day will affect the school dropout rate or significantly alter the distribution of state aids. It is clear that a third pupil count day would increase school district record keeping and auditing costs.

13. Before and After School Day Care  
*Sections 1754r and 1755Lm*

These provisions require school districts to make school rooms available to day care providers for before and after school day care programs. I am vetoing these provisions because, as currently worded, the provisions do not include any standards which must be met by day care providers. Furthermore, the provisions only allow school districts to charge providers for maintenance costs. The statutory language originally approved by the Joint Committee on Finance listed a number of requirements to be met by prospective providers, including adequate insurance coverage and the payment of utility costs. Without these and other standards, the public is not adequately protected from poor quality providers and property tax increases.

14. Children with Special Health Care Needs  
*Sections 1747m and 1749m*

These provisions would formally establish responsibility in the Department of Public Instruction for providing health care services to school age children with special health care needs. These provisions define the department's responsibilities for children with special health care needs and define the needs eligible for financial support under the federal Maternal and Child Health Block Grant.

I am vetoing these sections because the new language represents a significant addition to the statutes and was added to the budget bill with little public discussion. They could have cost implications for the state which need to be fully analyzed before being enacted into law. Furthermore, the Department of Health and Social Services also has responsibility for providing services to these children and should be involved in discussions on legislation related to their care.

15. Library Board Membership  
*Sections 690g and 690r*

These provisions would increase public membership on the Milwaukee Public Library Board from four to six and delete membership of the Superintendent of the Milwaukee Public School system. I am vetoing these provisions because they are nonbudget related and have received no public analysis or debate. While this veto does not indicate a position on the merits of this change, modifying library board membership would be best addressed through separate legislation.

16. Per Credit Tuition Plan  
*Sections 668m and 3054(2d)(d)*

These sections require the University of Wisconsin System to prepare a plan to restructure tuition charges, report to the Legislature by September 30, 1988, and implement as of September 1, 1989, a per credit fee structure. In addition, one of four conditions for release of approved instructional positions and funding in fiscal year 1988-89 is submittal of a plan by March 15, 1988 for implementing a per credit tuition structure.

I am retaining the provision in the bill (Section 3054(3g)) which requires the Board of Regents to study the restructuring of tuition and report by September 30, 1988. However, I am vetoing the requirements in Section 668m that the Board of Regents implement a per credit fee structure and Section 3054(2d)(d) that the implementation plan be included in the information needed to secure release of second year instructional positions and funding, with the understanding that instead the Board of Regents will provide a status report on the tuition restructuring study. My reason for vetoing the implementation requirement is that policymakers should have an opportunity to evaluate the potential impacts of this policy change before making the final decision.

17. VTAE Credit Transfer  
*Sections 660g, and 3054(3j)*

These sections require the Board of Regents to submit to the Legislature by September 1, 1988, a plan to designate Vocational, Technical and Adult Education (VTAE) college parallel program offerings as transferable to University of Wisconsin System institutions without loss of credit toward graduation. If a plan is not submitted by that time, the Board of Regents is directed to designate college parallel program offerings as transferable to UW-

System institutions without loss of credit toward graduation.

I have vetoed these sections because a joint UW/VTAE task force is currently studying policies relating to credit transferability, and will make recommendations later this year, thus negating the need for this provision. Both the UW-System and the State VTAE Board have indicated that the provision is unnecessary.

18. Parkside Nonresident Tuition Waiver  
*Section 3054(2g)(a)*

This provision authorizes the Board of Regents to exempt from nonresident tuition, but not from other fees, up to 200 students at the University of Wisconsin-Parkside enrolling in upper-level programs identified by that institution as having surplus capacity.

I have partially vetoed this provision to allow the existing nonresident tuition waiver at UW-Superior but not extend the waiver to UW-Parkside. Extending the waiver encourages nonresident students to enroll at UW-Parkside while at the same time enrollment management cuts are being required at the other UW campuses in southeastern Wisconsin.

19. Payments for Municipal Services  
*Sections 492, 494, 1249 and 1250*

These sections exempt from payment for municipal services all revenue derived from the University of Wisconsin (UW) academic student fees and UW gifts and grants. I have partially vetoed these sections, removing the exemption for UW gifts and grants, to be consistent with the treatment afforded other agencies and because the exemption represents a substantial cost to the general fund. The exemption for student fees was contained in my budget proposal and was supported throughout the budget process. It will remain as an exemption.

20. Minority Doctoral Student Loans  
*Section 673m*

This section creates the Minority Doctoral Student Loan program, which provides funding for loans to minority doctoral students interested in teaching within the University of Wisconsin System. If a recipient accepts a UW faculty position, 25 percent of the total loan amount is forgiven for each year of employment. After four years, the loan balance would be zero. Students who are not offered a faculty position are eligible for partial loan forgiveness.

I have partially vetoed section 673m, eliminating the loan forgiveness option for those students not offered a UW faculty position. The goal of the program is to recruit and retain minority faculty for the University of Wisconsin. Students who do not teach at the UW do not contribute toward the goal.

21. Continuing Appropriations  
*Sections 193p and 200e*

These provisions would change sections 20.285(1)(iz) and (3)(iz) of the Wisconsin Statutes from annual to continuing appropriations, which would effectively exempt them from the s. 16.515 review process. I am vetoing these provisions because it is appropriate for the Joint Committee on Finance to review and approve adjustments in the authorized spending level in these appropriations.

22. Electronic Communication  
*Sections 7m and 659t*

These sections direct the Board of Regents to monitor the use of electronic written communications within the University of Wisconsin System for purposes prohibited under sections 11.36 and 16.49 of the statutes (soliciting political contributions or direct lobbying).

I have vetoed these provisions because they are redundant, given the existing statutory prohibition on lobbying and political contributions. In addition, these provisions would single out one form of communication over others, such as mail, telephone or facsimile transfer.

23. Regent Membership on Educational Communications Board  
*Sections 20m, 49g, 49r, 3017(2g) and 3204(17)(ag)*

These sections sunset the term of the Educational Communications Board (ECB) member who is appointed by the Board of Regents of the University of Wisconsin System and replace the member with an additional public member. I am vetoing these sections because it is important to retain Regent representation on the ECB.

The original intent of university representation was to improve coordination between the governing boards of the two agencies. The university is a major provider of educational television and radio programming for the ECB. This interrelationship is improved by personal contact between board members. The Regent membership allows the opportunity for each agency to be aware of the other's activities through board meetings.

In addition, the general population is already represented on the board. Of the 16 director positions, two members are citizens appointed by the governor. It has not been determined that a third representative would better serve the public interest.

24. Educational Communications Board Membership Change  
*Sections 49w and 3017(5)*

These sections add another member to the Educational Communications Board and specify that the person shall be from the Milwaukee district VTAE board. I am vetoing these sections because this is a policy item which does not belong in the budget bill.

25. Independent Public Radio Stations  
*Section 3017(3m)*

This provision allocates \$20,000 in each year of the 1987-89 biennium to independent radio stations for improvement of local service quality. I am vetoing this provision primarily to reduce state expenditures and control the budget. In addition, the provision is unclear in its justifications and objective. It is not based on any demonstrated need and does not identify stations or the use to which the additional funds would be allocated. This veto will produce lapses of \$20,000 GPR in 1987-88 and 1988-89. I am directing the Department of Administration to hold in unallotted reserve \$20,000 GPR in s. 20.225(1)(f) in 1987-88 and 1988-89.

26. Milwaukee Public Television  
*Section 132 as it relates to 20.225(1)(d)*

This section contains funding for public television operated by the Milwaukee Area Technical College. I am vetoing the entire \$230,000 in 1988-89. Funding for this purpose was not included in the budget I submitted to the Legislature. It was my feeling that, while the intent of this funding is to provide property tax relief, the state should focus property tax relief efforts in broader programs such as school aids.

I have decided not to veto the funding included for 1987-88. I hope that the veto of the 1988-89 funding will ensure a thorough review of the value of this aid program in the next annual budget.

27. Arts Challenge Initiative  
*Sections 132 as it relates to 20.215(1)(d), 696j 3005(1m)(a) and 3204(5)(am)*

These provisions establish a \$750,000 per year Arts Challenge Initiative Grant program. While such a program might be worthwhile, I am concerned about committing \$750,000 of state funds prior to a thorough examination of the need for the program. Therefore, I am vetoing a digit in the 1987-88 appropriation amount to reduce the amount to \$75,000, and I am vetoing the second year amount entirely.

I am leaving the language in Section 3005(1m) directing the Arts Board and the Department of Administration to conduct a study to determine the need for continuing an arts challenge program beyond 1987-88. However, I am vetoing the September 1, 1987 deadline for the report since additional time is required to do a complete study. I am directing that the study will be prepared by the end of 1987 which is ample time for consideration in the 1988-89 annual budget.

Since the funding for the program is reduced from \$750,000 to \$75,000 in 1987-88, I am vetoing the provisions in section 696j which would allocate \$150,000 for arts organizations with operating budgets of less than \$100,000, and set aside five percent of the funds for minority arts organizations.



28. Financial Aids Deadline

*Sections 683g, 683j, 683m, 683p and 3203(26)(am)*

These sections establish a deadline of June 1 for students submitting applications for financial aid. They direct the Higher Educational Aids Board to set aside 23 percent of the funds available for grants for late applicants of which 21 percent shall be set aside for students who are enrolled or intend to be enrolled in a Vocational, Technical and Adult Education (VTAE) school. I am vetoing these provisions because they arbitrarily set aside an amount for VTAE students based on historical data. The fixed percentage does not allow for variations in future applications for financial aid.

29. Minority Student Grant Program

*Section 132 as it relates to 20.235(1)(fh)*

This section contains funding for expanding the minority undergraduate retention grant program to VTAE students. I am vetoing the \$175,000 in 1988-89 since this is a new program and it should be evaluated in 1987-88 before continued funding is provided.

30. Apprentice Instruction

*Section 677t*

Section 677t permits the State VTAE Board to establish a program to provide instruction to apprentices.

I am vetoing this provision because of the lack of funding and staff provided, and partly because the program will not be implemented until July of 1988 at the earliest. Consideration could be given to this program, including funding implications, in the 1988-89 annual budget without causing any program disruption.

**D. Environmental and Commercial Resources**

1. Farm Congress

*Sections 12ym, 32pm, 125rm and 1692p*

These sections create a farm congress to advise the Board of Agriculture, Trade, and Consumer Protection (DATCP) on matters pertaining to the board. Three delegates from each county comprise the congress which would meet at least once each year.

I have vetoed these provisions because I am concerned about how well the congress would work and how effective it would be. The provision limits farm congress advice to the DATCP Board only on those issues directly under the board's jurisdiction. Farmer expectations about the usefulness of such a congress are likely to be greatly diminished because federal issues, property tax issues, and rural development issues could not be debated.

DATCP has developed an excellent reputation for involving the farm community and farm interest groups in its decision-making process. The agency has been extremely receptive to outside input and has several ongoing advisory committees specifically for this purpose. Statewide there are many farm groups which

represent the agricultural interests of the state. The concept of a farm congress may be appealing; however, I believe the current provision does not solve a problem and is unworkable. The congress adds another layer of bureaucracy and may diffuse agricultural issues. The present system works very well and provides direct access to DATCP for Wisconsin's agricultural community.

To implement the intent of this budget veto, the Department of Administration will move program dollars into unallotted reserve through s. 16.50(2) authority. The dollars will lapse to the general fund at the end of the fiscal year. The position will be frozen.

2. Stray Voltage Program

*Sections 132 as it relates to 20.115(8)(j), 1692pr and 3004(5j)*

These sections establish a stray voltage program to inform and educate the agricultural community about stray voltage which can reduce a farm's milk production and cause economic hardship. A toll-free telephone line and library would be established. The Department of Agriculture, Trade and Consumer Protection (DATCP) would administer the program.

I have partially vetoed these provisions in order to take advantage of findings and recommendations by the Department of Agriculture, Trade and Consumer Protection's Stray Voltage Task Force. The task force is currently making on-site visits to select farms to survey stray voltage problems and will make recommendations soon on solving the problem.

I recognize the importance of this issue to individual farmers and Wisconsin's agricultural economy. My vetoes will keep the stray voltage assessment and DATCP authority to develop a stray voltage program. The appropriation will remain; however, the appropriation's dollar amount is reduced to zero. I am requesting the Public Service Commission and DATCP to develop a stray voltage program based on the task force recommendations and to request the funds needed through the s. 16.505/515 process. I expect the program will be cost-effective and will focus on assisting individual farmers with known stray voltage problems.

3. Pesticide Use Liability

*Section 1693cq*

This section provides that no portion of the state pesticide regulations will limit civil or criminal liability of employers or contractors for work done by certified pesticide applicators. The provision would allow the Department of Agriculture, Trade and Consumer Protection to fine employers and contractors for violations by their employees.

I have vetoed this section because the importance of such a liability provision deserves full legislative and public review and should be introduced as separate legislation.

4. Inspector Certification Program

*Section 1693gz*

This section authorizes a dairy plant employe, certified by the Department of Agriculture, Trade and Consumer Protection (DATCP), to inspect grade B dairy farms. The new language unintentionally excludes such dairy plant employes from inspecting grade A dairy farms as is allowed under current law. I have partially vetoed this section to correct the problem. The partial veto enables dairy plant employes, certified by the department, to inspect both grade A and grade B dairy farms. By enabling DATCP to contract with the dairy plant industry to inspect farms, the efficiency of the inspection program is improved.

5. Whey Cream

*Section 1693ed*

This section increases the requirements for the milkfat content of whey cream from 18 percent to 30 percent. I have vetoed this section because such a change may adversely affect small cheese factories in Wisconsin. To meet the new requirement, new equipment may have to be purchased, representing a sizable expense for a small plant. Because of this potential negative impact, the proposal should be debated as a separate bill which would allow small cheese factories to be heard on the issue.

6. Development Zones

*Section 132 as it relates to 20.143(1)(am) and 20.835(2)(cm), 137r, 470m, 1228s, 1265m, 1407k, 1480n as it relates to the employe tax credit, 1480o and 3203(47)(zxq)*

These sections create a development zone program where businesses are provided state tax benefits for locating in depressed areas and employing people receiving state aid. I am a strong supporter of the concept of development zones but I am vetoing these sections because the program as structured by the Legislature is unworkable and would not be effective. The Welfare Reform Commission recommendations, had they been adopted as proposed, would have given Wisconsin an effective tool to promote economic development where it would benefit the disadvantaged. The Legislature adopted the commission recommendations in name but not substance, and the result is unacceptable. I will continue to pursue the development zones in future legislation.

7. Wisconsin Development Fund: Enumeration of Projects

*Section 3016(5j)*

This section specifies that up to \$5 million will be spent for Chrysler Corporation and up to \$9 million for General Motors from the Wisconsin Development Fund appropriation s. 20.143(1)(d). The section also sets additional conditions for these loans or grants and lapses funds not spent on these projects to the general fund. I am vetoing paragraphs (a) and (c) of this section to

eliminate the enumeration of projects, the grant or loan conditions, and the lapse provisions. These provisions are vetoed because the enumeration of projects could be found to be a private or local law which, under Article IV, Section 18 of the Wisconsin Constitution, must be enacted as single subject legislation. This could jeopardize the Wisconsin Development Fund and delay grant and loan awards. Further, the provisions eliminate needed flexibility within the fund to respond to changing business development needs. I am sensitive to the concerns of the Legislature that funds be spent responsibly. The statutory requirements I proposed for the development fund are sufficient to assure that Wisconsin taxpayers get a good return for their economic development dollars.

8. Wisconsin Development Fund: One-Time Funding

*Section 3016(7j)*

This section requires that \$7,450,000 of the funds in the Wisconsin Development Fund appropriation (s. 20.143(1)(d)) in 1988-89 be treated as one-time funding. I am vetoing this section to increase future flexibility for funding economic development projects. While future needs may be lower, a \$14.9 million budget base would provide the significant and visible economic development program the state needs to compete with other states.

9. Wisconsin Development Fund: Joint Committee on Finance Approval

*Section 2087 as it relates to s. 560.61(2)*

This section prevents the Department of Development from making a grant or loan greater than \$1 million from the Wisconsin Development Fund appropriations unless the grant or loan is approved by a majority of the members of the Joint Committee on Finance. I am partially vetoing this section because it is inappropriate to place a legislative committee in an administrative position of an executive branch program. Legislative approval of economic development projects would increase uncertainty and decrease flexibility. The provision would also delay program administration which could jeopardize job creation projects.

10. Wisconsin Development Fund: Agribusinesses

*Section 3016(5m)*

This section requires the Department of Development to spend \$300,000 in 1987-88 from the Wisconsin Development Fund for grants and loans for agribusinesses meeting certain conditions. I am partially vetoing this section to provide greater flexibility in awarding grants and loans by eliminating the time deadline and the unnecessary criteria for agribusiness loans and grants. Agribusinesses are an important part of the state economy and should be included in the Wisconsin Development Fund. However, unneeded constraints should be removed so the department and the Development Finance Board can set priorities to maximize economic development benefits.

11. Wisconsin Development Fund: Rules  
*Section 2087 as it relates to ss. 560.685(2) and (3)*

This section requires the Department of Development to promulgate administrative rules for the Wisconsin Development Fund regarding application forms, administrative procedures, and the definition of a major economic development project. I am partially vetoing this section to eliminate these requirements because they are unnecessary, duplicative and could delay program administration. The statutory language I proposed for the Wisconsin Development Fund provides the Wisconsin Development Finance Board and the Department of Development the flexibility needed to operate a responsive economic development program. Where necessary to interpret the statutes, administrative rules will be written and reviewed by the Legislature through the normal administrative rules process.

12. Development Finance Board Membership  
*Section 37*

This section creates the Development Finance Board and specifies its members. I am vetoing the part of the section which makes the president of the University of Wisconsin or the president's designee a member of the board. The provision is vetoed because including the president on the Development Finance Board may bias the board in favor of projects involving the University of Wisconsin over other projects.

13. Wisconsin Development Fund: Transportation Projects  
*Section 1655 as it relates to s. 84.185(2)(c)*

This section requires the Secretary of the Department of Transportation to give priority to achieving geographic diversity in awarding grants and loans for transportation economic development projects. I am partially vetoing this section because it may impede the efforts of the Wisconsin Development Fund program to maximize job creation and retention in the state. The transportation component of the program is intended to respond quickly to business development opportunities, regardless of where in Wisconsin that development may occur. The Department of Transportation will try to bring benefits to all areas of the state but should not be constrained by law in a manner which may prevent the funding of high priority projects.

14. Wisconsin Development Fund: Small Business Set-Aside  
*Section 2087 as it relates to ss. 560.60(12) and 560.68(2)*

Parts of this section require that 50 percent of the Wisconsin Development Fund appropriations be spent on small businesses. I am partially vetoing this section because it eliminates the flexibility needed to fund projects with the Wisconsin Development Fund. I strongly support using a significant portion of the Wisconsin Development Fund for small businesses and had proposed reserving 40 percent of the combined fund

for the first six months of each year. The provision in this section does not allow funds allocated to small businesses to be reallocated to other projects if sufficient small business projects are not approved. This poses an unnecessary constraint which could encourage the approval of poor projects and the lapse of funds needed for other projects. Moreover, the Legislature divided the development fund into two appropriations. One is reserved for projects less than \$250,000. This small project appropriation will, in effect, provide a small business set-aside since large firms generally require grants and loans greater than \$250,000.

15. Employee Ownership Board  
*Section 38m*

This section changes the Employee Ownership Board by deleting two members, requiring the labor representative to be selected from a list of three names submitted by the president of the Wisconsin state AFL-CIO, and adding four members from the Legislature. I am vetoing this section because the changes would not improve the program. Further, I prefer to maintain flexibility in appointing people to the various boards and councils of state government. My budget proposed to simplify and strengthen the employe ownership assistance program by including it within the programs administered by the Wisconsin Development Finance Board. The retention and expansion of the board is inconsistent with my policy of consolidating state economic development programs.

16. IRB Verification  
*Sections 1228t, 1228tm, 1968m, 1968mg, 1969, 2072ad and 2072am*

These sections require the Department of Development to determine whether information filed under industrial revenue bonding applications is accurate. I am vetoing these sections, in whole or in part, because there is little evidence that past applications have been inaccurate. Moreover, applications express expectations and intentions rather than facts and are therefore difficult to verify. Finally, the provision would require reallocation of department staff from more important functions.

17. Export Trade Plan  
*Section 2070r*

This section amends the statutes requiring a plan to promote and increase exports to give the Secretary of the Department of Development a leadership role and to include the University of Wisconsin, the VTAE system and others in developing the plan. The section also requires the plan to be completed by January 1, 1988 and revised annually. I am partially vetoing this section to eliminate the deadline and the required annual revisions. The January 1, 1988 deadline is too soon to prepare a quality report and the annual reviews may be unnecessary. The Department of Development should have an export plan and I have directed the secretary of the Department of Development to prepare the plan within a more reasonable time period.

18. German Trade Office Limitations  
*Section 3016(2m)*

This section prohibits the spending of \$176,100 in fiscal year 1988-89 for the trade office in Germany without approval by Joint Committee on Finance at its second quarterly meeting in 1988. I am vetoing this section because the funds are needed to operate the Frankfurt trade office and Joint Finance Committee approval is an unnecessary restriction on the operations of the office. Moreover, annual budgeting will allow changes in trade office funding in 1988-89 should the value of the dollar change from the assumptions used in the budget.

19. Tourism: Film Promotion  
*Sections 144m and 2084m*

These sections establish a film promotion unit in the Department of Development and allocate spending. I am vetoing part of section 144m to eliminate the requirement that \$75,000 be spent annually on promotional materials. The department should have flexibility in administering the program and the limit could reduce program effectiveness. I am partially vetoing section 2084m to eliminate the creation of a specific administrative unit in the statutes. The department should determine where in the department's administrative structure the film promotion program should operate.

20. Tourism and Travel Marketing Fund  
*Sections 144, 2085e and 3016(4m)*

These sections specify funding levels for promoting state historical sites, set a \$250,000 minimum spending level for cooperative advertising with regional tourism development corporations, require that cooperative advertising funds be allocated equally among tourism regions, allocates no more than 30 percent of regional cooperative advertising dollars for projects initiated by the regional tourism development corporations, and require a \$20,000 per year state subsidy of regional tourism development corporation operating costs.

I am vetoing the parts of these sections which specify funding for the cooperative advertising program and state historical sites. The Council on Tourism, as reconstituted by 1987 Wisconsin Act 1, has responsibility to recommend an effective and balanced marketing campaign. The council should decide how best to use the limited resources available to them for tourism and travel promotion. I support cooperative advertising and I am asking the department and the Tourism Council to develop and implement an effective cooperative advertising program. I also support funding for state historical sites. However, efforts should not be constrained by a statutory set-aside. The Council on Tourism changes made the State Historical Society a member of the council which should provide the society with greater influence regarding the use of the tourism and travel marketing funds.

I am vetoing the language regarding the regional tourism development corporations because I believe it is inappropriate to subsidize them from the tourism and travel marketing funds. The Council on Tourism and an Assembly committee are reviewing and assessing the proper role and funding mechanisms for the regional corporations. It is prudent to wait for their recommendations.

21. Council on International Trade  
*Sections 39 and 2072*

These sections create a statutory council on international trade to advise the Secretary of the Department of Development on exports and attracting international investments. I am vetoing these sections because the present nonstatutory Governor's Advisory Council on International Trade has been very successful in fulfilling this function and private sector advice and assistance on international trade would not be enhanced by the proposed changes.

22. Commercial Liability Reports  
*Sections 2088s and 3031(3n)(a)*

These sections establish reporting requirements for commercial liability insurers. I am partially vetoing the specific reporting requirements relating to verdicts and judgments. I have vetoed these requirements because this information can be obtained more efficiently and effectively through the court system. In addition, I am vetoing the designation of specific categories and types of commercial liability insurance which must be included in the reports. I have vetoed this provision because the Office of the Commissioner of Insurance should have the flexibility to determine the appropriate types of insurance data to be included in the report.

23. Health Insurance Risk Sharing Plan Insurer Assessment Relief  
*Sections 132 as it relates to s. 20.145(7)(b), 151m, 2110p and 3203(31)(aj)*

These sections establish a general purpose revenue appropriation and program to provide health insurance companies with assessment relief by reducing their charges for the costs of the Health Insurance Risk Sharing Plan. This plan provides health insurance to those that cannot obtain it in the private market. I have vetoed these sections because the assessments are not excessive and because the provisions do not include a long-term solution to the problem of health insurance accessibility for all of Wisconsin citizens. In addition, I have vetoed these sections because there is limited general purpose revenue available.

24. Health Insurance Risk Sharing Plan Cost Containment  
*Section 2112*

This provision specifies cost containment strategies to be used by the Board of Governors and the Office of the Commissioner of Insurance for the Health Insurance Risk Sharing Plan. I have partially vetoed this section

because although I support cost containment, the Board of Governors and the Office of the Commissioner of Insurance, as administrators of the Plan, should have flexibility in determining the appropriate cost containment measures to be implemented.

25. Securities Deregulation  
*Section 2069*

This section exempts from state merit review initial public offerings of common stock which are firmly underwritten, have a book value of at least \$500,000 at time of offering and have filed a prospectus with the Commissioner of Securities. I am vetoing part of this section to expand the exemption to include secondary offerings and to eliminate the requirement that there be at least \$500,000 in stockholder equity at the time of the offering. These changes will provide a long overdue reform of Wisconsin securities regulation which is needed to facilitate an efficient capital market. These are changes sought by Wisconsin investors and the investment communities. I am confident that existing laws and the firm commitment underwriting requirement will provide sufficient safeguards for investors. While the veto accomplishes much of what was proposed in my budget, I would support future legislation to fine tune these provisions in a manner consistent with the original merit review exemption proposal.

26. Fees for the Environmental Repair Fund  
*Sections 569o, 1802Li, 1802Ln and 3203(40)(gm)*

These sections increase fees to produce revenue for the environmental repair fund (ERF). Tipping fees at solid waste disposal facilities are increased from 15 cents/ton to 30 cents/ton in 1988, 45 cents/ton in 1989, and 60 cents/ton in 1990. Increased fees would be paid by municipalities. High volume industrial waste would be exempt. The sections also create a new fee of \$3/ton imposed annually on hazardous waste generators. A minimum fee of \$100 and a maximum fee of \$10,000 would be imposed. Recycled hazardous waste and leachate transported to a wastewater treatment plant would be exempt from the hazardous waste generator fee.

I have vetoed the section which creates the new hazardous waste generator fee. Creation of a new funding source for ERF should receive full legislative review and public debate. In addition, creating the fee now is premature given the request for the Legislative Council to review ERF funding sources in the near future. I have partially vetoed the tipping fee increase to set the fee at 30 cents/ton, beginning in January 1988. The other two incremental fee increases have been vetoed. High volume industrial wastes remain exempt.

My commitment to the ERF program was demonstrated by the \$1.5 million added in my budget through increased oil inspection fees. Those new dollars represent an increase in ERF funding of 64 percent. Given this increase for the ERF program, I do not support the legislative tipping fee increases for 1989 and 1990.

Further, the financial burden on municipalities with such increases is far too great.

27. Petroleum Environmental Clean-up Fund  
*Sections 44k, 132 as it relates to 20.370(2)(hr), 251n, 251o, 569q, 1802Lw, 1802y, 1895gm, 3040(2h), 3201(36)(ah) and 3204(40)(bm)*

These sections create a petroleum environmental clean-up fund for cleaning up contamination caused by leaking petroleum product storage systems. Clean-up funds would come from an increase in the oil inspection fee. Claims would be made to the Department of Natural Resources for contamination investigation and clean-up activities, as well as potable water. A no-fault, 18-month grace period would be established with problems reported during the grace period receiving 100 percent of clean-up costs from the fund. Following the grace period, owners and operators would be responsible for the first \$100,000 of clean-up costs and the fund would cover costs exceeding \$100,000.

I have partially vetoed these sections to retain the program but to delete the detailed provisions of how the program would work. I highly commend the petroleum industry for recognizing the potential environmental problems caused by petroleum storage tanks and the initiative taken to get the clean-up program passed in the Legislature. I have retained the basic program framework because I believe such a program is needed. I am concerned about the grace period, program cost, long-term liability to the state and lack of funding priorities. For these reasons, the Governor's Office and the Department of Administration are committed to working with the industry in the next few months to rework the program details. I would like remedial legislation developed that will result in a stronger, more effective program.

28. Waste Tire Recovery Program  
*Sections 132 as it relates to 20.370(2)(dw), 209m, 1654w, 1654ym, 1802mm, 1803fm, 3040(7m)(b) and 3204(40)(dn)*

These sections create a state waste tire recovery program, including provisions to encourage the Department of Transportation (DOT) to use rubber recovered from waste tires for highway improvement and to award highway improvement contracts to qualified bidders at five percent over the lowest bid provided rubber recovered from waste tires would be used for the project. The sections grant the Department of Natural Resources (DNR) authority to abate nuisance tire dumps. Finally, a waste tire removal and recycling grant program is created in DNR. The grant program is funded by \$2 million DOT SEG dollars.

I have partially vetoed these sections to eliminate the DOT bidding provisions and the DNR grant program. DNR's authority to abate nuisance tire dumps is maintained. I have vetoed the DOT provisions because current technology employing recycled rubber is still in an experimental stage and preliminary studies indicate

the design life of certain improvements is significantly reduced when recycled rubber is used. For these reasons, it is not economically feasible or economically competitive to institute such provisions. I have vetoed the grant program for several reasons. I believe funding mechanisms other than segregated transportation funds should be explored and that stronger statutory guidelines for the program are needed. The program also duplicates a State Energy Office grant program which provides grant funding for projects demonstrating energy recovery from used tires, test burning of tires, and other waste tire recovery activities.

The budget retains language requiring DNR to develop a statewide plan for removing waste tires from solid waste facilities and other innovative waste tire recovery activities. Such a plan can serve to focus future efforts to address the problem. I believe it is also important to retain DNR's authority to abate nuisance tire dumps. Such authority will protect public health and safety.

29. Recycling and Waste Incineration  
*Sections 1802Lfc and 1803fe*

These sections require that a municipality which adopts a waste flow control ordinance may not operate an incinerator unless it recycles 20 percent of the solid waste to be incinerated or institutes mandatory source separation of four solid wastes, ensures waste separation and recycling collection facilities are in operation, institutes mandatory composting of all yard waste, collects household hazardous waste biennially, and reviews the feasibility of recycling lead-acid and mercury batteries. These sections also grant the Department of Natural Resources authority to require the municipality to cease incinerator operation if, after a hearing, it is determined the municipality has not met the recycling requirements.

I have partially vetoed these sections to eliminate the recycling requirements and DNR's enforcement authority. Because recycling initiatives depend on market demand, setting arbitrary percentages is unrealistic. There is no documented basis for choosing the 20 percent figure. Communities throughout the county with aggressive and successful recycling initiatives have found it difficult, after many years of progress, to recycle as much as 10 to 15 percent of their solid waste.

The provision linking mandatory recycling requirements to incinerator operation is vetoed because it would have a significant effect on investor willingness to finance such a facility and would effectively prevent a municipality from selling bonds for its construction.

I believe municipal decision-making on solid waste disposal should consider recycling options which are economically feasible. For this reason, I have retained language in the budget requiring municipalities to recycle solid waste to the extent of economic feasibility.

30. Waste Load Allocation  
*Sections 1846me, 1846mh, 1846mo, 1846mq and 1846mt*

These sections provide that the Department of Natural Resources (DNR) may establish a water quality based effluent limitation without holding a contested case hearing. The provisions also establish a procedure for a permittee to request a variance from a water quality standard which is used to set a water quality based effluent limitation.

I have partially vetoed these sections to ensure variance decisions may receive the traditional review procedures under chapter 227, including the contested case hearing provisions. The vetoes also allow the Department of Natural Resources to better fit individual permit requirements to particular circumstances.

I strongly believe these issues pertaining to s. 147.05 of the Wisconsin Statutes, can be resolved by the U.S. Environmental Protection Agency, the Department of Natural Resources and the permittees. I want to give the parties time to resolve their differences. I ask them to continue their discussions and to work on legislation all can endorse. I will readily support consensus legislation in the October session or through a special legislative session. This is a significant environmental issue which the state needs to resolve expeditiously.

31. Nonpoint Pollution Abatement Authority  
*Sections 1796md and 1796mg*

These sections give the Department of Natural Resources (DNR) authority to order nonpoint pollution abatement if there is a severe and recurring threat to water quality. I have vetoed these sections because this policy deserves legislative review and a public hearing opportunity for the groups affected by the proposal, particularly farmers. I would like the Department of Agriculture, Trade and Consumer Protection to have a more significant role in working with the landowners and DNR.

32. Landfill Siting Prohibitions  
*Sections 1802Lct, 1802Ld, 1802Le, 1802Lem, 1802Lf, 1802n and 3203(40)(ha)*

These provisions prohibit landfill development in three specific locations. One would prohibit landfills within 2,500 feet of an ordinary high water mark of a lake larger than 640 acres in a county with a population of 315,000 or more. This provision would preclude developing the Libby site in Dane County. The second would prohibit a landfill 2,500 feet from the boundary of a second class city which is either within 2,500 feet of a planned municipal well where distribution water mains have been installed or within 2,500 feet from an area governed by a shoreland or floodplain zoning ordinance. This provision precludes the Vondron landfill near Madison from being developed. The third prohibition exempts a landfill from locating within five miles of another landfill which has been closed less than one year unless the

facility is expanding, is for high volume waste, is located in a county with more than 750,000 people, or complies with the county waste management plan. The third provision exempts a specific Muskego site. A fourth provision requires municipalities and solid waste facility applicants to negotiate an agreement prior to construction of the solid waste facility. Under current law there is not a requirement to reach agreement prior to facility construction.

I have vetoed these provisions because they undermine the state's comprehensive landfill siting process. In recent years, landfill laws have been strengthened to provide extensive public participation opportunities and thorough review. Current laws are among the most stringent in the nation and ensure that new landfills are safely designed and appropriately located. Opponents of proposed landfills have many avenues to challenge proposed sites. By eliminating these unnecessary site specific landfill prohibitions, this veto preserves our effective, statewide waste facility siting process.

33. In-Place Pollutant Program Staff  
*Section 3040(10x)*

This section provides \$70,000 GPR and two new staff positions in the Department of Natural Resources to administer an in-place pollutant program for the Milwaukee and Sheboygan Rivers. I have vetoed this section for several reasons. My budget gave priority to the toxic materials management program in the Department of Natural Resources. I added \$119,600 GPR and three positions for a 17 percent program increase. The Legislature added another \$163,300 and two positions to increase the toxics program overall by 41 percent. The increased dollars and staff will address priority toxic problems identified by the Department of Natural Resources and represents a major commitment towards remedial toxic activities. Given this increase, I do not believe it is necessary to expand the program further. I encourage the department to reallocate dollars and positions to begin work on the Sheboygan and Milwaukee Rivers if these are identified as toxic activity priorities. To reflect my intent, I am directing the Department of Administration to move these dollars into unallotted reserve through s. 16.50(2) authority and lapse them to the general fund at the end of each fiscal year. The positions will be frozen.

34. Environmental Repair Fund Liability  
*Sections 1802Lta, 1802Ltb, 1802Ltc, 1802Ltd, 1802Lte, 1802Ltg and 1802Ltj*

These sections broaden liability standards for recovering environmental clean-up costs to correspond with federal superfund liability standards. Under current state law, waste facility owners and operators are liable for clean-up costs if the party should have known a public health problem would arise, a law or code was violated, or negligence occurred.

These sections expand clean-up liability to waste producers and transporters. The provisions establish a

strict liability standard. To recover costs, it would not be necessary to show a law was violated or a party was negligent, rather only that a problem has occurred. In addition, the provisions establish joint liability, meaning liability for clean-up costs is shared by all who contributed waste to the site. One party could be responsible for all clean-up costs if other parties could not be found or were no longer in existence, regardless of the amount of waste contributed by the single party.

I have vetoed these sections because the strict liability standard goes far beyond what is reasonable and fair for sharing environmental clean-up costs and generally exacerbates the liability insurance crisis. A waste facility owner or operator or a waste producer or transporter may face very high clean-up costs regardless of whether that party violated a law, was negligent, or was doing everything possible to handle the waste properly. The broadness of the provisions may force insurers to discontinue pollution liability insurance to the waste industry and local governments. Contractors cleaning up sites are not given adequate indemnification from the proposed standard. This could affect the willingness of contractors to clean up solid and hazardous waste sites, further slowing environmental repair. Finally, municipalities are not sufficiently protected from negligence and may face large local clean-up costs.

35. Clean Sweep Program  
*Section 132 as it relates to 20.370(4)(cd)*

This section restores \$50,000 GPR funding for the Clean Sweep Program which had been eliminated in my budget. I have vetoed this section because the U.S. Environmental Protection Agency provides grants to municipalities to collect household hazardous waste, offsetting the elimination of the Clean Sweep Program.

36. Waste Reduction and Recycling Grants  
*Section 132 as it relates to 20.370(4)(ce)*

This section adds \$125,000 general purpose revenue annually to the waste reduction and recycling grant program which had been reduced in my budget. I have partially vetoed this appropriation to reduce the dollars available for waste reduction and recycling grants to \$50,000 annually, closer to the \$25,000 originally recommended in the budget. I strongly believe the success of waste reduction and recycling projects is closely tied to market conditions. Providing public dollars for these projects cannot make them viable if market conditions do not warrant it. Maintaining \$50,000 for the program enables the more competitive projects to be funded and provides some public support for those projects most likely to succeed. Moreover, additional financial assistance is available for these studies through the Division of State Energy waste-to-energy grant program.

37. Yahara Watershed Management District  
*Sections 1b, 1d, 1e, 1g, 1i, 1k, 1m, 1p, 1r, 1s, 1u, 1w, 3c, 3f, 70ts, 109g, 109r, 251zb, 251zh, 251zhm, 543m, 543p, 543q, 552e, 552m, 552s, 640i, 642b,*

642d, 642f, 642h, 642j, 642k, 643r, 650c, 650Lm, 650p, 652m, 1195r, 1204d, 1204g, 1204m, 1209c, 1209g, 1215c, 1215h, 1217j, 1217mge, 1217mgm, 1217mjm, 1217nn, 1217q, 1227m, 1228am, 1228rm, 1228v, 1232te, 1232tm, 1232v, 1233ms, 1554a, 1556c, 1556g, 1689m, 1692cer, 1692gf, 1802jqe, 1802jqm, 1802jqu, 2241mm, 2241ng, 2241sm, 3040(11m) and 3040(11x) as these relate to the Yahara Watershed Management District

These sections create a Yahara watershed management district to protect and rehabilitate water quality within the Yahara watershed in Dane County. The provisions provide the district with authority to levy taxes, collect special assessments and fees, regulate land use and surface water recreation and safety, receive grants, issue bonds and other special district powers.

I have vetoed the sections which create a Yahara watershed management district for two reasons. First, the proposed creation of the Yahara watershed management district is a local matter which should not be included in the state budget. Second, the proposed watershed district is a significant policy initiative which merits full review by the Legislature and ample opportunity for public hearing and debate. This bill has not been subject to a public hearing in standing committees of either house of the Legislature. My veto should not be viewed as a disagreement with the need to improve management of the Yahara River chain of lakes. I recognize the diminishing water quality and increasing public use of the Madison lakes threatens their long-term value as natural resources. I appreciate the sincere efforts of the committee which developed the proposed Yahara watershed plan and I encourage the Legislature to continue to work on the development of an effective means of managing the Madison lakes and other waterways in Wisconsin.

38. Volatile Organic Compounds Program  
*Sections 1654uL, 1802jr, 1802Lba and 1802Lbc*

These sections, as part of the volatile organic compounds accommodation program, require the Department of Transportation (DOT) to use highway paint which minimizes volatile organic compound emissions in compliance with Department of Natural Resources rules in a six-county area in southeastern Wisconsin. These sections also set a growth accommodation credit fee of \$1,000 to \$2,000 times the amount of the credit for stationary sources emitting volatile organic compounds and operating without an air pollution control permit.

I have partially vetoed these sections to eliminate the DOT paint requirements because of technical problems with the highway definition. I am hereby directing DOT to comply with the intent of the paint restrictions, to the extent feasible. I have also reduced the growth accommodation credit fee for noncomplying sources from \$200 to \$1,000 times the amount of credit needed. I believe noncomplying sources should pay a larger fee than sources in compliance. The fee should also be reasonable in order to encourage the source into

compliance. Setting the fee at \$200 to \$1,000 achieves both purposes. The provision also gives the Department of Natural Resources discretion to determine the fee level based on reasonable considerations.

I have retained the 2,500 ton base level. The Department of Natural Resources may implement rules to restrict volatile organic compound emissions should the accommodation fall below the 2,500 ton base level. Industry has expressed an interest in reducing the base level and the point at which the department implements rules. Any such change should be initiated through remedial legislation. I encourage all participants to work together on a concensus bill addressing this and other outstanding VOC program issues.

39. Rights of Discovery  
*Section 1802Lqa*

This section grants the Department of Natural Resources (DNR) authority to request information from any person who has generated, transported or handled solid or hazardous waste in relation to a disposal site eligible to receive federal superfund monies. I have vetoed this section because DNR would have such authority for an eligible superfund site under current federal law, thus the provision is duplicative and unnecessary. The federal superfund law provides that any duly authorized person may have access to information if covered by contract with the U.S. Environmental Protection Agency (EPA). Typically, Wisconsin enters an agreement with EPA for superfund sites and thereby becomes a duly authorized person. Prior to the time of the agreement, EPA has authority to access any information it may need to proceed with site clean-up. The strength of the federal law in such cases is far reaching and enables Wisconsin's most critical environmental problems to be addressed.

40. Construction Site Erosion Control Ordinances  
*Sections 1204j, 1209d, 1215d, 1802jqf, 1802jqm and 1802jqs as it relates to model ordinances*

These sections require counties, cities and villages to enact a construction site erosion control ordinance. I have vetoed these sections because all counties, cities and villages are required to enact the ordinance regardless of their size, the severity of their erosion problems, or the amount of construction occurring within their jurisdictions. The state has taken positive steps towards reducing construction site erosion, short of mandatory ordinances. The nonpoint source pollution abatement program ties the ordinance to the grant program and focuses on critical watersheds and construction site erosion problems. Model ordinances are also available for counties and municipalities to adopt. These positive initiatives should be supported and continued.

41. Landfill Siting Reimbursement  
*Section 1802Lx*

This section increases the dollar amount that may be reimbursed to a municipality from a party applying for a solid waste disposal facility permit. The dollar amount is



increased from \$2,500 to \$40,000 for costs incurred by the municipality to negotiate with the solid waste disposal facility applicant in siting and operating the facility. I have partially vetoed the section to limit the increase to \$20,000. The partial veto recognizes that municipalities are likely to incur more than \$2,500 in costs and that the reimbursable amount should be increased. I believe \$20,000 represents an amount which is more fair and reasonable than the one proposed by the Legislature.

42. Milwaukee Metropolitan Sewerage District:  
Shoreline and Harbor Protection Authority  
*Section 1232m*

This section grants authority to the Milwaukee Metropolitan Sewerage District (MMSD) to construct harbor protection, shoreline protection or erosion control projects using spoil from construction projects. Funding for such projects may not exceed \$5 million. I have vetoed this section because the language uses the budget bill to circumvent a recent Court of Appeals' decision on this issue. The issue has significance because the language expands MMSD's traditional sanitary authority to areas of harbor and shoreline protection. I would like to see the City of Milwaukee and the Milwaukee suburbs work out a compromise on the issue. I would support separate legislation if a consensus can be reached.

43. Motorboat Fuel Gas Tax Formula  
*Section 555r*

This section creates a motorboat fuel gas tax formula to fund water related recreational projects administered by the Department of Natural Resources. The amount is calculated by multiplying the estimated number of registered motorboats by 50 gallons, multiplying that product by 20 percent, and that product by the gasoline excise tax. I have partially vetoed this section to eliminate the 20 percent component. This component was intended to represent the motorboat fuel gas tax paid by out-of-state boaters. I have vetoed the 20 percent because it is a rough estimate of the number of out-of-state boaters and has not been adequately documented. More importantly, I have vetoed this provision to restore the overall funding level for Department of Natural Resources water related programs to a level close to that recommended in my budget. This funding level represents an increase in state funding for local parks and boating aids, and combined with the approval of a formula, establishes a long-term state commitment to local recreational aids.

44. Waterways Commission Funding and Eligibility  
*Sections 44i, 44im, 132 as it relates to s. 20.370(4)(bu), 251zd, 251zt, 497ef, 642m, 650b, 650e, 650h, 650j, 650L, 650m, 650o, 650r, 650y, 3040(6g) and 3040(7b)*

These sections expand the scope of projects to be funded from the recreational boating appropriation through the Waterways Commission to include funding for the

inland lake renewal program. In addition, these sections change the grant allocation between types of bodies of water, increase the funding level and enumerate specific projects and studies to be funded.

I have partially vetoed the sections which relate to expanded project funding eligibility and grant allocation to return to current law. The language included by the Legislature changes the current funding allocation from 30 percent inland lakes, 30 percent Great Lakes and 40 percent discretionary to 40 percent inland lakes, 40 percent Great Lakes, 10 percent rivers and 10 percent discretionary for public access. In addition to the change in the allocation, the Legislature provides funding for the old inland lakes renewal program. I have vetoed these sections because the current percentage allocation of grants between bodies of water is sufficient, and because funding should not be provided for projects under the inland lakes renewal program. That program was ineffective in establishing long-term lake quality and rehabilitation and, as a result, was eliminated in previous legislative action. It would be unwise to begin funding the program without making significant program changes.

I have partially vetoed the recreational boating appropriation to reduce it to a level closer to my budget recommendation. I am directing the Department of Administration, under its s. 16.50 authority to only approve for allotment for this appropriation, the amount in the motorboat gas tax formula account of the conservation fund, which remains after fully funding the other appropriations funded from the revenue generated by the formula. This includes full funding for both waterfront park aid appropriations.

I have also vetoed the language which funds specific projects from the recreational boating appropriation. These projects provide funding for a cranberry water quality study, marina feasibility study and Lake Minoqua Lake Shore improvements. I have vetoed this language because all projects should be evaluated by the Waterways Commission on an equal basis, according to the criteria for grant approval in the statutes.

45. Waterfront Park Aids  
*Sections 132 as it relates to s. 20.370(4)(bw), 251zh as it relates to the transportation fund, 543p as it relates to the Wisconsin Waterways Commission, 559 as it relates to waterfront park aids, 3040(9c) and 3204(40)(em)*

These sections provide funding for Waterfront Park Aid projects from the transportation fund, require that grants under the program be approved by the Wisconsin Waterways Commission, and fund a harbor erosion project on Oak Creek.

I have partially vetoed the appropriation language for s. 20.370(bw). This veto changes funding for the appropriation from the transportation fund to the conservation fund. The conservation fund monies for this appropriation will come from the motorboat fuel gas

tax formula. I have made the change because the motorboat gas tax formula account of the conservation fund is the appropriate source for these projects. In addition, this veto limits the total draw on the transportation fund to an amount consistent with my original budget recommendations.

In addition, I have vetoed the language allocating funds from the Waterfront Park Aid appropriation for a waterfront redevelopment construction project at Oak Creek in conjunction with the coastal zone management program. I have vetoed this provision because projects should be evaluated and grants made by the Waterways Commission after an analysis of the project. Specific projects should not be mandated without this review. However, I support this project and hope that the Waterways Commission or Coastal Management Council will make the Oak Creek project a high priority for funding.

I have partially vetoed the language requiring that grants be awarded subject to approval of the Waterways Commission. I have partially vetoed this language to make it clear that the grants are to be made by the Waterways Commission, not by the Department of Natural Resources.

46. Scenic Urban Waterways  
*Sections 132 as it relates to s. 20.370(4)(dq), 640s and 3040(13m)*

These sections restore base funding to the Scenic Urban Waterways program and expand the program to include the Milwaukee River. The program would be funded from the motorboat gas tax formula. I am vetoing these sections because that program is ineffective, duplicates the Waterways Commission program and the DNR nonpoint program, and was recommended for elimination in my budget.

47. County Forest Aids  
*Section 594x*

This section increases the acreage payments on land enrolled under the County Forest Law from 20 cents to 40 cents per acre. While I am sympathetic to the need for increased payments, I have vetoed this section because of the negative impact increased payments would have on the forestry account of the conservation fund. Expenditures from the forestry account must be kept at a minimum because of the low projected balances in the account. I have, however, retained the increased payments in the aid in lieu of taxes program. That change results in more moderate increased costs to the forestry account.

48. Beaver Control Subsidies  
*Sections 132 as it relates to s. 20.370(1)(Lq), 204Le and 639g*

These sections provide \$20,000 funding for the beaver control program from the forestry account of the conservation fund. I have vetoed these sections because they provide funding from the forestry account, and

expenditures from this account must be kept at a minimum because of declining balances in this account. Current projections indicate that expenditures from the account will continue to exceed revenues, and as a result, the account is facing a deficit situation by the end of 1989-90. This veto does not eliminate the beaver control program. \$100,000 is budgeted from the fish and wildlife account to fund this program.

49. Land Acquisition  
*Section 497ej*

This section establishes the authorized bonding level for land acquisition by the Department of Natural Resources. The Legislature increased the bonding level to \$36,403,600; or \$3,000,000 over the amount in my budget recommendation. This section also requires that \$2,000,000 of the \$3,000,000 be spent on land acquisition to protect the lower Wisconsin River corridor and that \$1,000,000 be spent on land acquisition for the ice age trail and associated lands. I have partially vetoed this section to eliminate the requirement that bonding to be used for the lower Wisconsin River and Ice Age trail. I have vetoed this provision because land acquisition projects should be approved and evaluated on the basis of their merits and overall priority within the land acquisition plan as a whole. In addition, I have partially vetoed this section because the \$3,000,000 increase is excessive. It is my intention, as the Chairman of the State Building Commission, to recommend that the \$3,000,000 of additional bonding be denied.

50. Fish and Game License Issuing Fee  
*Sections 602m and 3203(40)(de)*

These sections increase the issuing fee for fish and game licenses from \$0.50 to \$0.60, and change the allocation of the fee between agents and counties from 60/40 to 67/33. I have vetoed this section to restore the allocation to 60/40. I have vetoed this because it provides for a more equitable distribution of the fee between agents and counties.

51. Managed Forest Land Exemption  
*Section 1602*

This section requires the Department of Natural Resources to deny a landowner's petition to enroll in the Managed Forest Program if the land is located in a town entirely surrounded by water, the land totals more than five percent of the area of the town, and if the town board denies the request. I have vetoed this section because it applies to only one isolated area in the state, it establishes a precedent for exemption under the program, and because it also sets a precedent for a two-tiered approval process which would have caused administrative problems for the department. The purpose of the program is to increase forest productivity and thus generate economic benefit for the state. The precedent set in this amendment might encourage other similar exemptions, thus impeding participation and result in a negative effect on the economic benefit to the state.

52. Endangered Species Violations  
*Sections 636p and 636s*

These sections increase the penalties for killing endangered species. These sections establish a fine of between \$500 and \$2,000 and loss of hunting privileges for one year for unintentional violations. For intentional violations, the fine would be between \$2,000 and \$5,000, imprisonment up to nine months and a loss of hunting privileges for three years. I have vetoed these sections because they are not budget related and should be addressed through separate legislation.

53. Local Spearfishing Enforcement Aids  
*Section 639m*

This section provides \$35,000 GPR annually for reimbursement of local governments for costs related to enforcing Chippewa Treaty spearfishing rights. The current language limits the reimbursable costs to overtime. I have partially vetoed this section to eliminate the reference to overtime costs. I have done this because it does not adequately reflect the actual costs to local governments of these enforcement activities, and ignores the other costs which are incurred, including costs of rescheduling personnel, night-time differential, and hiring officers on a part-time basis.

In addition, I have vetoed the requirement that a law enforcement agency must provide a notice of intent by January 1 if reimbursement is to be obtained. I have vetoed this requirement because many law enforcement agencies will not know if spearfishing will occur in their jurisdictions until March or April, and because other agencies will not know if costs will be incurred until asked for assistance.

54. Motor Fuel Tax Indexing  
*Sections 1603r, 1603s and 1606r*

These sections would suspend the motor fuel tax indexing formula during the 1987-89 biennium and, thereafter, move the indexing date to July 1, rather than April 1. I am vetoing these provisions and thereby retaining the current system for motor fuel tax indexing, which is critical to maintaining a stable revenue source for the state's transportation programs. If indexing were suspended during the 1987-89 biennium, a major imbalance between ongoing revenues and expenditures would be created in the 1989-91 biennium. As a result, transportation finance would be in the same position that it was prior to the adoption of indexing: a major revenue increase would be required to maintain the currently legislated program levels. Indexing is intended to avoid this anomaly, and it has worked well in the three years that it has been operative. My veto maintains this system.

Unfortunately, in an effort to generate one-time revenues to offset the suspension of indexing, the legislative budget starts the two cent increase in the fuel tax on August 1, 1987, eight months sooner than my proposed starting date of April 1, 1988. It is not possible for me to

delay the effective date for this increase through a veto. Consequently, it is estimated that an additional \$32 million in revenues will be collected during the 1987-89 biennium. It is my intent to avoid any increase in spending, and to substitute the additional revenues for bonding in the major highways program. I will have a bill introduced during the fall session of the Legislature to make this change.

55. Motor Fuel Tax Refund for Pupil Transportation  
*Sections 1609s, 1609um and 3204(47)(jk)*

These sections would permit public and private schools and school bus contractors to obtain motor fuel tax refunds for fuel used for the purpose of transporting elementary and secondary school pupils. I am vetoing this provision because it represents an inappropriate subsidy by highway users of local school district expenses. School buses use the state and local road system, and similar to other highway users, including other units of local government and the state, should pay a fair share of the cost. School buses already are afforded favorable treatment under the state's vehicle registration system, with only a token \$1 registration fee, and it would not be appropriate to provide further subsidies from the Transportation Fund.

56. County Hold Harmless Under General Transportation Aids  
*Sections 1672g as it relates to minimum and maximum payments and 3052(1c)*

These sections guarantee all counties the same level of general transportation aids in CY 1988 as they received in CY 1987. The two percent maximum annual aids reduction for counties which would have affected CY 1988 aids would be delayed until CY 1989. I have vetoed these sections because a hold harmless provision results in counties receiving benefits under the aids formula not available to other local governments. Under the revised general transportation aids formula, counties will receive a higher percent of costs than municipalities on the cost-based portion of the formula--30 percent of eligible costs rather than 24 percent. In addition, those counties experiencing aid losses will be limited to only a two percent annual reduction in aids, while municipalities may experience a five percent annual reduction in aids. More favorable treatment for counties through a one-year hold harmless under the formula cannot be justified based on need or the level of local spending.

57. General Transportation Aids Paid on Shared Road Mileage  
*Sections 1672g as it relates to payments for shared mileage, 3052(1e) and 3203(52)(a)1m*

These sections provide that when a town shares jurisdiction over a road which serves as the boundary with a city or village, each municipality will receive the same level of aids (on a per mile basis) for the shared mileage. This applies only to towns which receive general transportation aids on a percent of cost basis. I have vetoed these sections because they allow a municipality

to receive aids based on costs incurred by another municipality and ensure a higher return in aid per dollar of local spending than is justified by actual local expenditures. The formula adopted in the budget will ensure that all municipalities receive equal payments for equal overall costs, when completely phased in.

58. Mass Transit Operating Assistance Increase  
*Sections 1671e and 3203(52)(bm)*

These sections increase the state's share of local mass transit operating costs from 37.5 percent to 39 percent beginning in calendar year 1988. I have vetoed these sections for the following reasons: (1) the amount of federal assistance available to offset operating costs will be substantially increased for many Wisconsin cities; (2) even with a 37.5 percent state share, 21 communities will receive more than 70 percent of their operating expenses from external sources (state and federal) in CY 1988; and (3) the State of Wisconsin ranks third nationally in terms of transit support. With this level of state and federal support for Wisconsin urban transit systems, many local governments can operate their systems with little or no local revenue and little incentive to control costs. As a percent of operating costs, mass transit aids are already indexed to inflation and respond automatically to local program increases. Finally, I have directed the Department of Transportation to conduct a study of the state's role in urban mass transit. Any change in the state share is inappropriate and unnecessary at this time.

59. Transportation Projects Commission  
*Sections 10c, 10cm, 1654uwp and 3201(52)(bn)*

These sections eliminate the Transportation Projects Commission (TPC). I am vetoing these sections because the commission has proven to be an effective mechanism to deal with the often controversial and competitive decision of which major highways to select. The TPC was created in 1983 to provide an orderly way for legislators to be involved in choosing among a number of major highway projects, adding policy and public perspectives to the engineering and technical views of the Department of Transportation. If the TPC were abolished, the orderly and open process that exists for major highway project selection would be lost.

60. USH 12/North Crossing Major Highway Project Enumeration  
*Section 1654uwg*

This section enumerates the USH 12/North Crossing project in Eau Claire County as an authorized major highway project. I have vetoed this section because the project has been enumerated without the endorsement of the Transportation Projects Commission (TPC). In order to preserve the commission's integrity and the orderly process it has developed for establishing project priorities, it is necessary to delete project additions made by the Legislature without the TPC's endorsement.

61. Sun Prairie to Columbus Major Highway Project  
*Section 3052(4m)*

This section mandates the completion of this major highway project by December 31, 1990. I have vetoed this provision for several reasons. First, state and federal requirements related to the environmental, archaeological, and agricultural impact of the project make its completion by the specified date impossible. Second, it is inappropriate for the Legislature to establish a schedule which accelerates this project at the expense of other authorized major projects.

Because of the state's commitment to this project, I am, however, directing the department to begin the complex development and design process for this project immediately so that construction may start earlier than the current 1991 schedule if funding is available.

62. USH 18--Blue Mound Road  
*Section 1654vb*

This section requires a local cost-sharing provision for the newly enumerated Blue Mound Road major highway project. I have vetoed this section because the statutory requirement for local cost-sharing on this project is unique among the 33 enumerated major highway projects and this project should not be singled out. However, I am committed to the concept of requiring a local share on highway projects where a local contribution is appropriate. Further, I believe that a local contribution on the Blue Mound Road project is appropriate, and it also is consistent with the Transportation Projects Commission's action. I am, therefore, directing the Secretary of the Department of Transportation to develop a statewide policy on local cost sharing and to require local participation on this project and others consistent with that policy.

63. Noise Barrier Allocation and Specific Location Study  
*Sections 3052(3g)(a), (am) and (ar)*

These sections require the Department of Transportation (DOT) to allocate \$4.0 million for noise barriers from within the Interstate Highways Program. In addition, DOT is required to study two specific locations for the possible construction of noise barriers. Finally, the budget bill directs DOT to adopt by rule the criteria that will be used in the listing of noise barriers. I have vetoed the directive to allocate \$4.0 million for noise barriers because DOT has already indicated its intent to expend \$4.0 million on noise barriers during the next two years. I have left intact the requirement for DOT to promulgate rules establishing the criteria for the siting of noise barriers. I have vetoed the sections that would have required that two specific locations be studied for the possible construction of noise barriers. Specifying the two locations for noise barrier studies inappropriately bypasses the priority system that the Legislature directed DOT to develop through rules.

64. Penalties for False Information on Driver Licenses and Identification Cards  
*Sections 1986n and 1988m*

These sections increase the penalties to persons providing false information on applications for driver licenses or identification cards. Current law provides a fine of \$100 or imprisonment or both for providing fraudulent information on a driver license or identification card. Current law also provides a \$100 forfeiture (but no imprisonment) for providing misinformation on an application for a duplicate license or card. These sections change both penalties to a \$500 fine or imprisonment for up to six months or both. I have vetoed the sections increasing the fines from \$100 to \$500 since the penalties under current law are sufficient for this type of offense. I have approved the addition of the imprisonment provision to the duplicate license statute to provide consistency.

65. Signs for Truck Following Distance  
*Section 1671u*

This section directs the Department of Transportation to place signs at all major points of entry into Wisconsin and along heavily traveled highways indicating the required distance which must be maintained for certain trucks. I have vetoed this provision because it is unlikely that these signs will have any impact on the level of compliance with the law. We should avoid imposing ineffective requirements on state agencies.

66. Accident Reporting  
*Section 1990m*

This section restricts the disclosure of accident reports in the driving record of a person involved in an accident in the course of his or her employment as a law enforcement officer, fire fighter, emergency medical technician or a bus driver to courts, district attorneys, county, city or village attorneys, the licensee or the person who is the employer of the licensee. I have vetoed this provision for several reasons, including the fact that it is in conflict with federal law. The list of individuals eligible to receive the accident report excludes the federal government and other states. The federal Commercial Motor Vehicle Safety Act would require such disclosure. Furthermore, the language is broad enough to restrict information on accidents involving specified persons who used their vehicles recklessly or negligently. Any restriction on the disclosure of reports on these types of accidents would be an inappropriate infringement on the right of the public to know about the performance of public employes. Current practice already restricts the disclosure of incidents where a law enforcement officer has vehicle damage in the line of duty. I will support efforts to amend and make stronger the current law which prohibits insurance rate increases based on on-duty accidents.

67. Date for Detour Impact Study  
*Section 3052(1r)*

This section requires the Department of Transportation to study the economic impact and problems created by detours resulting from highway improvement projects, and to report its findings and recommendations to the Legislature by July 1, 1988. I have partially vetoed this provision to delete the July 1, 1988 completion date for the study. The mandatory completion date provides insufficient time to complete a study adequate to form a basis for future action. The department will complete the study in time for the Legislature to consider it during its initial floor period in 1989.

68. Milwaukee Freeway Parking Leases  
*Section 1203h*

This section provides that Milwaukee County or its agent must offer public institutions of higher learning the right of first refusal for the use or development of available portions of expressway lands. I have partially vetoed this provision to expand the right of first refusal to all local institutions of higher learning, whether public or private. Existing lease arrangements with private schools will not be affected.

69. Town Roads Study  
*Section 3052(1m)*

This section requires the Department of Transportation, in consultation with town officials, to study town road needs. The study findings and recommendations are to be reported to the Legislature no later than April 1, 1988. I have partially vetoed this section because of the unrealistic time frame for the study and the emphasis of the study on the identification of needs. I have vetoed the April 1, 1988 date to allow for a more thorough study; the department will complete the study in sufficient time for it to be considered during the 1989-91 biennial budget. As vetoed, the study will focus on the mechanisms for distributing town road aids and an examination of unusual problems affecting town roads.

70. Lessee's Right of Acquisition  
*Section 1660mbm*

This section requires a railroad, which is abandoning rail property for which property the Department of Transportation has issued a release of its first right of acquisition, to offer to sell the property at fair market value to the person occupying the property under lease, license or permit. A process for establishing fair market value is specified. I am vetoing this section because it is an inappropriate and possibly unconstitutional delegation of the state's power of condemnation. As written, the language could be interpreted as allowing the taking of private property for other than a public purpose--the only legal use of the power to condemn. I encourage the interested parties to work toward a separate bill that meets their needs and the constitutional test. In the interim, I request the DOT, when possible,

provide notification to lessee's when the state releases its right of acquisition.

71. Renaming General Mitchell International Airport  
*Section 1726m*

This section prohibits payment of state airport aid to the public airport currently named General Mitchell International Airport in Milwaukee unless the name of the airport is changed to Milwaukee Mitchell International Airport. I have vetoed this section as an inappropriate state mandate and the naming should be left to the county board. The state and county are now working with Illinois and Chicago O'Hare Airport officials on a regional airport plan. This process will recognize the importance of Milwaukee and, therefore, the designation as an international facility.

72. Wisconsin Conservation Corps Increased Administrative Support  
*Section 132 as it relates to s. 20.399(2)(a)*

This section establishes a general purpose revenue appropriation for Wisconsin Conservation Corps administrative support, adds three positions and funding for a personal development program. I have partially vetoed the first year funding in this appropriation because the funding level provided is excessive and included services inappropriate to the Wisconsin Conservation Corps. I have not totally vetoed this appropriation because the Wisconsin Conservation Corps does need additional staff. The funding level for the Corps has been increased to employ a larger number of corps enrollees. As a result, limited additional staff will be required. In addition, I have vetoed the second year of this appropriation because I intend to review Wisconsin Conservation Corps staffing levels in the next budget.

73. Wisconsin Conservation Corps Segregated Funding  
*Section 132 as it relates to s. 20.399 (1)(q)*

This section provides segregated funding from the forestry account of the conservation fund for Wisconsin Conservation Corp enrollee support. I have vetoed this section because the Legislature significantly increased the general purpose revenue funding for the program. As a result, funding from the forestry account is not needed. In addition, I have vetoed this funding because of the declining balances in the forestry account.

74. Wisconsin Conservation Corps Transportation Projects  
*Section 275r*

This section authorizes the Wisconsin Conservation Corps (WCC) to fund the costs of trees, plants and shrubs for highway beautification projects in counties with a population of 500,000 or more from the WCC's transportation fund appropriation. I have vetoed this section because the Wisconsin Conservation Corps is an

employment program and funding should be used for wages for participants, not for highway beautification in a specific area of the state.

75. City of Milwaukee--Miscellaneous Changes  
*Sections 641mm, 1216c, 1216g, 1217gb, 1217gm, 1217ng, 1217nm, 1217og, 1217om, 1217or, 1793r, 2241n and 3203(57)(dm)*

These sections make several changes to the statutes regarding the City of Milwaukee. The changes include the appointment powers of the mayor, residency requirements for certain officials, educational and professional requirements for appointments, parking system contracts and revenues, and city budget process deadlines. I am vetoing these sections because they are not directly related to the budget. While some of the provisions may have merit, they should be pursued as separate bills through the normal legislative process.

76. Ambulance Service Regulation  
*Section 1219m*

This section permits Milwaukee to establish certification standards for ambulance service providers in excess of the minimum state standards. I am vetoing this section because the issue should be pursued through separate legislation.

77. County Economic Development Funding  
*Section 1195m*

This section permits county boards to appropriate and loan money to nonprofit organizations to install property improvements including but not limited to roadways, sewers, water mains, storm sewers and sidewalks. While the provision may have merit, it does not directly affect the state budget and should receive the full discussion provided through the regular legislative process.

78. Milwaukee Board of Tax Assessors  
*Section 1233mp*

This section changes the composition of the Milwaukee Board of Tax Assessors to include assistant supervising assessors and the supervisor of administration and records. This section is vetoed because it is a policy item and should be pursued in separate legislation.

79. Local Option on Tavern Teen Nights  
*Sections 1780o, 1780r, 1780u and 1780y*

These sections allow a municipality to prohibit local taverns from allowing underage persons on the premises during specified times when no alcoholic beverages are served. Current state law allows such activities. The proposed changes may have merit and would give local governments greater control. However, I am vetoing these sections because they do not relate to the budget and should be pursued as separate legislation.

**E. Human Services**

**1. Aid to Families with Dependent Children Benefits**  
*Section 977m*

This section amends current law to reduce the benefits paid under the Aid to Families with Dependent Children program by one percent during the 1987-89 biennium. I am partially vetoing this section in order to reduce the benefits by an additional five percent during this biennium.

With this veto, I am standing firm on my position that our efforts for welfare reform must be funded primarily through a redirection of a portion of the current expenditures for benefits. This veto accomplishes the first part of that objective. In addition, in making this veto I am reaffirming my commitment to using the savings from the reduction in benefits to fund programs to eliminate welfare dependency. I will introduce legislation in the fall, authorizing expenditures from these savings to further expand our welfare reform efforts.

**2. MA: Pregnant Women and Children**  
*Sections 989p, 1001d, 1001h, 1001p, 1001r, 1001t, 1002n, 1006n and 3204(24)(hh)*

These sections expand medical assistance (MA) eligibility to allow coverage of services to pregnant women and children up to the federal poverty level. This expansion was allowed under a provision enacted by Congress in SOBRA (Sixth Omnibus Budget Reconciliation Act, 1986). However, SOBRA stipulates that states can only provide this optional eligibility expansion if there has been no reduction to the AFDC payment levels in effect as of April 16, 1986.

My proposed welfare reform package necessitates reductions to the April 1986 AFDC payment level. Consequently, it is not feasible for the state to enact the provisions included in the bill. Therefore, I am vetoing these sections. I intend, however, to introduce legislation in the fall which will further expand health care coverage for pregnant women and children using state funding. Further, I direct the Department of Administration to place the funds allocated for this service, \$338,000 GPR in 1987-88 and \$789,600 GPR in 1988-89, in unallotted reserve for lapse to the general fund at the end of the biennium.

**3. Learnfare--Program Requirements**  
*Sections 1014r and 1014u*

These sections are part of the statutory authorization of the Learnfare program to require school-aged recipients of Aid to Families with Dependent Children (AFDC) to attend school. I am vetoing these sections in part to ensure that the coverage of the Learnfare program is not reduced.

Section 1014r was amended by the Legislature to reduce the coverage of the Learnfare requirement. As recommended by my Welfare Reform Commission and

submitted to the federal government as a requested waiver to federal regulations, Learnfare would cover all adolescents receiving AFDC. This section was amended to reduce that coverage to include only adolescent parents receiving AFDC. My partial veto of Section 1014r restores the Learnfare requirement to all AFDC adolescents. However, in making this veto I have eliminated two provisions: (1) that adolescent parents would not be required to attend school until their child is three months of age; (2) that school attendance is only required as long as necessary child care is available. I am directing the Department of Health and Social Services to include these provisions in the emergency administrative rules for the Learnfare program.

In addition, section 1014r provides the stipulation that 18- and 19-year-old mothers receiving Aid to Families with Dependent Children are subject to learnfare requirements. The individual is reasonably expected to graduate from high school before reaching age 20. I am striking this specific provision because the stipulation may be considered ambiguous and difficult to enforce.

Section 1014u provides for sanctions if AFDC recipients fail to meet the Learnfare requirements. This section includes a requirement that all recipients covered by the learnfare requirements be given the opportunity to participate in the Children-at-Risk program or the School Age Parents program. I have partially vetoed Section 1014u to eliminate this requirement. The phrase "an opportunity to participate" is sufficiently vague to offer problems in both administration and enforcement.

**4. Learnfare--Department of Public Instruction Study**  
*Sections 1014ym and 3201(44)(bc)*

These sections authorize the Department of Public Instruction to study and evaluate the learnfare program, as established by section 49.50(7) of the statutes, if approved by the federal government. My veto eliminates authorization for this study.

The learnfare program is subject to federal waiver approval. The waiver process requires that a thorough study and evaluation be conducted regarding the learnfare program. This study will be performed by the Department of Health and Social Services. Given this fact, a study by the Department of Public Instruction would be redundant.

**5. School-Linked Clinics**  
*Sections 132 as it relates to s. 20.435(1)(eg)(title), 313m and 1834m*

These sections create a school-linked clinic grant program and authorize the Department of Health and Social Services to allocate state general purpose revenues to organizations to provide school-linked clinics. These sections authorize the expenditure of \$280,600 in 1987-88 and \$1,018,300 in 1988-89 to establish five clinics in four urban counties and provide schoollinked health services in three rural counties. My veto eliminates the authorization to allocate this funding to local

organizations. With this veto, I am directing the Department of Administration to place the \$280,600 of state revenues for 1987-88 in unallotted reserve, to lapse to the general fund.

The program, as authorized, does not provide sufficient limitations on the types of services offered by these organizations. One of the primary motives of the program is to prevent adolescent pregnancies. It is quite evident that the various means of accomplishing that goal affect traditional moral values and thus are highly controversial. Without adequate direction for the program, efforts to establish these services will lead to polarization within the communities and defeat the purpose of the program.

Further, my Welfare Reform Commission thoroughly examined the issue of adolescent pregnancy and health and decided not to include a recommendation for school-linked clinics. Their decision was wise; their recommendations make significant strides in providing funding for adolescent self-sufficiency and provision of social service programs to stem unintended pregnancy among teens. The issue of health services for adolescents requires extensive thought, discussion, and debate and should be treated as a separate issue.

6. Recoupment of AFDC Benefits  
*Section 981m*

This section requires the Department of Health and Social Services recover Aid to Families with Dependent Children benefit overpayments issued as result of fraud by withholding ten percent of the monthly grant. All other overpayments are to be recovered by withholding up to seven percent of the monthly grant. My veto eliminates this requirement and allows the current state policy of recovery by withholding up to seven percent of the monthly grant to continue.

I believe the section will not provide a sufficient deterrent to fraud to warrant the necessary additional administrative work.

7. Guaranteed Jobs Program  
*Sections 132, as it relates to s. 20.435(4)(bp), 353s, 859m, 961u, 1014z and 3024 (11dm)*

These sections create a Guaranteed Jobs Program and authorize the Department of Health and Social Services to establish a contract to implement a pilot program. The program is designed to ensure that graduates of the selected high schools, who are enrolled in the program have jobs upon graduation. The program's first priority for placements is in the private sector. If that option is not available, public service employment is to be guaranteed. My veto eliminates the state general purpose revenue funding and the statutory authorization for the program.

This item is a recommendation of my Welfare Reform Commission and I believe the goal of the program is laudable. However, I sincerely believe that this type of program is best established and administered by the

private sector. In particular, Jobs for America's Graduates, Inc., a private foundation, has been very successful in establishing this type of program in other states. Efforts are underway to establish a Jobs for America's Graduates program in Wisconsin. My veto ensures that we do not run the risk of interfering with this effort. In addition, I recently authorized state support for a summer youth employment program to provide summer employment to young people of Milwaukee's minority community.

8. Self Employment and Placement Pilot Project  
*Sections 352m, 359m, 370g, 370r, 1031m and 2071m*

These sections establish the Self Employment and Placement Pilot Project for AFDC recipients. The goal of the project is to provide entrepreneurial training to AFDC recipients and to assist them in establishing their own small businesses. My veto of these sections eliminates the statutory authorization for this pilot program.

In this budget, we are increasing our efforts for employment and training services by nearly threefold. While a self-sufficiency program for AFDC recipients may have some merit, I believe that we should concentrate our efforts at establishing the foundations of employment, training and workfare services. Six other states are currently piloting this training service. Because questions exist regarding the cost-effectiveness of these programs, it is prudent that Wisconsin wait for the outcomes of these pilots before establishing a similar program in this state. In addition, funding for this project would divert funds from our basic employment programs, resulting in fewer recipients being served.

9. Milwaukee County Work Experience Job Training Administration  
*Section 1016m*

This section requires the Department of Health and Social Services to contract with a community action agency for the administration of a Work Experience Job Training program in Milwaukee County. My veto eliminates this requirement.

One of the primary benefits of the Work Experience Job Training program is that it allows the department to work with the county government, as well as other local service providers, to establish a program to fit the needs and resources of each individual county. My veto will allow for the necessary flexibility to design a program to meet the unique needs and resources of Milwaukee County.

10. Variable Benefit Waiver  
*Section 979*

This section requires the Department of Health and Social Services to seek a waiver from the federal government to allow Wisconsin to establish variable benefit schedules for recipients of Aid to Families with Dependent Children (AFDC). My veto eliminates this requirement.



At my direction, the department has submitted to the federal government a number of proposed waivers designed to enhance efforts to reform Wisconsin's welfare system. However, in discussions with the federal Department of Health and Human Services, it became evident that the waiver for a variable benefit schedule would not be approved. This veto seeks to reflect this fact and eliminates an unnecessary statutory authorization.

11. Grant Diversion  
*Section 1029m*

This section requires that the Department of Health and Social Services ensure that two counties offering grant diversion services as part of the Work Experience Job Training program provide AFDC recipients with employment opportunities in governmental and nonprofit institutions. My veto of this section eliminates this requirement.

Under current law, grant diversion placements may already be made in government or nonprofit institutions. This requirement would create an additional administrative burden on the department and counties in expanding the Work Experience Job Training program. I believe we should seek to establish sound, basic employment and training programs before establishing further requirements for the Work Experience Job Training program.

12. Reopening of Default Judgments in Paternity Cases  
*Section 2137p*

This section creates an additional opportunity for reopening a paternity determination case in which the respondent has been adjudicated to be the father as result of a failure to appear for the initial appearance. I am making a partial veto to strike the conditions regarding the results of the respondent's blood test.

The intent of many of the budget's changes to state law on the issue of paternity determination was to reflect in law the improvement of the scientific accuracy of blood tests. While I support this effort to strengthen the law, this section does not provide a sufficient opportunity for a respondent to reopen the case based on the blood test results. My veto expands this opportunity to allow reopening of the case within one year for all respondents found in default.

Further, I have directed the Department of Health and Social Services to reexamine the issue of default for failure to appear and to develop statutory language which ensures a timely review of paternity determination and ensure the rights of the respondent.

13. Requirements for Paternity Cases  
*Sections 2135p, 2137um and 3203(10)(cg)*

These sections create statutory provisions requiring the counties and the courts to take certain actions regarding paternity determination cases.

Specifically, section 2135p requires that counties must begin paternity determination cases within six months of the birth of the child if the father is not named on the birth certificate or if the mother is not married and paternity has not been adjudicated, with certain limited exceptions. Further, the section requires that counties place a priority on paternity cases involving teen mothers. I am partially vetoing this section to remove the required priority for cases with teen mothers. I believe this provision eliminates the necessary discretion needed to effectively administer child support enforcement agencies.

Sections 2137um and 3203(10)(cg) create a statutory provision and initial applicability, respectively, to require courts to set a trial date which is within 180 days of receipt of the blood test results. I am vetoing these sections in order to eliminate this mandate. At a time when a backlog of cases exists within the court system, I do not believe it is prudent to limit the discretion of the courts.

14. Dismissal of Specific Paternity Cases  
*Sections 2137d, 3203(10)(bm) and 3204(10)(am)*

These sections create a provision within the statutes to allow a court, under certain defined circumstances, to dismiss a paternity determination case at the time of first appearance. Dismissal may come if the court determines dismissal is in the best interest of the child.

I am partially vetoing section 2137d to eliminate the distinction that the provision relates to the first appearance in a paternity case in order to allow the courts additional opportunity to make such a ruling. Further, my partial veto of sections 3203(10)(bm) and 3204(10)(am) provides that the courts may use this provision upon the effective date of this act.

My veto is intended to allow the courts to use this provision to afford this protection to as many children as possible.

15. Child Abuse Reporting Exception  
*Section 941s*

This section excepts certain service providers, when providing specific services, from reporting as sexual abuse sexual intercourse or sexual contact involving a child unless the enumerated circumstances in this section are present. The stated intent is to allow children to obtain confidential health care services and pupil provider services.

I am vetoing the exception for pupil services providers because of the connection between this provision and school-linked clinics. This veto is therefore consistent with my veto of those clinics. I am also vetoing the exception for persons who refer a child to a health care provider for any health care service or to a pupil services provider for any pupil service. This provision is overly broad because it leaves the door open for anyone to be exempted from having to report as suspected child abuse children who are sexually active.

Finally, I am vetoing reproductive health as an excepted service because this term could include abortion-related services. I believe that if a child is receiving abortion-related services the parents of that child should be involved.

I am not vetoing the rest of this section because I believe it contains adequate safeguards for continued reporting of any case which might involve abuse, and makes the child abuse law consistent with requirements addressing parental notification and consent for certain services.

However, I have serious concerns about the lack of definition in this language. For example, I believe that a lower age limit of 12 should be established for children who are to be excluded from the reporting requirement. I also believe that the language should provide guidelines regarding age disparity between the parties engaged in the sexual activity, as a question could be raised whether true consensual activity is possible between an adult and a young child, as children can be unduly influenced by older children or adults.

Therefore, while I believe legislation in this area is necessary to clarify a contradiction currently inherent in state statutes, I encourage the Legislature to develop language which will more narrowly define this exception.

#### 16. The Choices Program

*Sections 15r, 15v, 70sm, 70sr, 426r and 3024(19m)*

These sections make changes in the authority of the Women's Council to allow it to administer the Choices program, define the program, and add staff to the Department of Health and Social Services for the program. I am partially vetoing all of these sections to place the administration of the Choices program and the awarding of Choices grants in the Department of Health and Social Services, to convert the GPR positions in the department to PR positions, and to remove the placement of these positions in a nonexistent appropriation. It was the intent of the Welfare Reform Commission, where this provision originated, to place the program in the department, and the department can provide more technical support to a new program.

With this veto I am directing the department to make grants to applying organizations to carry out the intent of the Choices program as described in statute. In addition, funded projects should also be directed at reducing high school dropout rates of adolescents and increasing adolescent career options with respect to occupations with wages higher than the minimum wage. Each of the funded projects shall provide services in one of six regional areas of the state.

#### 17. Welfare Fraud Expansion

*Section 3024 (18z)*

This provision requires the Department of Health and Social Services to include a county with a population between 9,000 and 10,000 in the expansion of the department's welfare fraud program. My veto of this provision eliminates this requirement.

It is very important that the state's limited resources be used in the most efficient manner possible. In the case of welfare fraud, the most efficient manner is to target those counties with the largest number of welfare cases which are likely to have the largest amount of fraud. As we continue to expand our welfare fraud activities, counties having smaller numbers of cases will be included in the program. In addition, this budget includes several changes to state law which will improve welfare fraud investigations in all counties.

#### 18. Child Support Supplement Program

*Section 790t*

This section amends current law to provide two changes regarding the Child Support Supplement program. The first change is to require the Department of Health and Social Services to initiate the program if the specific program plan is approved by the federal government. The second change adds the requirement that the program be implemented by April 1, 1988. I am partially vetoing this section to eliminate the April 1, 1988 deadline for implementation of the program.

This section, along with Section 790u, provides an adequate requirement that the department implement the child support supplement. The addition of an arbitrary deadline is unnecessary.

#### 19. Child Support Enforcement Services

*Section 789*

This section allows the Department of Health and Social Services to charge counties for administrative costs incurred for services the department provides to counties relating to child support enforcement. In addition, the department must promulgate rules to establish the services for which fees will be charged and the amount of the fees.

I am vetoing this section in order to retain current law. Current law provides that the department may charge only for federal parent locator services, intercept of unemployment compensation, or intercept of federal or state tax refunds.

The department's original request on this issue was based on the belief that the services provided to counties would be expanding and that the statutes should be amended to allow for this expansion. The Legislature, in an effort to offer some oversight of this expansion of fees, added the provision that the department must first promulgate rules on fees and services. However, the practical consideration of the time and effort involved in the administrative rules process jeopardizes the funding for the existing services. This veto allows the department to provide and charge a fee for the services enumerated in current law and to work with counties to identify possible new services to be added to the law in the future.

20. General Relief Statutory Modifications  
*Sections 950, 952o, 952r, 952s and 952v*

These sections modify current law relating to the provision of General Relief by county governments.

Section 950, as I submitted in my budget recommendations, provides that a person who is eligible for Aid to Families with Dependent Children or Supplemental Security Income is not eligible for general relief. This section was amended by the Legislature so that it did not apply in cases of unusual hardship. My partial veto eliminates this clause. The phrase "unusual hardship" may be construed as ambiguous and may make the entire provision difficult to administer and lead to a court challenge.

Sections 952o, 952r, and 952s are designed to eliminate the current minimum benefit level for general relief. I am vetoing these sections in order to retain the minimum benefit level. Since the state provides a significant share of the funding for general relief, I believe that the state has a responsibility to ensure that a minimum benefit level is in effect statewide.

Section 952v establishes that counties must provide an expedited general relief payment in certain circumstances. Current law provides a number of procedural rights for general relief applicants, including a provision that benefits must be approved or denied within 15 days of application. I believe current law provides adequate protection to those applying for general relief. I am vetoing this requirement because it is an additional mandate on county governments.

21. General Relief Allocations  
*Section 3024 (20m)*

This provision requires the Department of Health and Social Services to distribute, after reimbursement is made under section 49.03 of the statutes, all unencumbered funds within the appropriation for general relief reimbursement to the counties.

I am vetoing this provision in order to ensure that state reimbursements for county general relief costs match the reimbursement rates authorized in section 49.035 of the statutes.

Allowing all funds within this appropriation to be distributed serves as an unwarranted precedent for a general purpose revenue appropriation and would severely negate the credibility of the statutory authorization.

22. Community Services Block Grant Supplement  
*Section 132 as it relates to s. 20.435 (4)(cv)*

This section appropriates \$300,000 general purpose revenue in each fiscal year of the biennium to the Community Services Block Grant supplement, as allocated by section 46.30(4) of the statutes. I am vetoing the amounts in the schedule to eliminate all funding for this supplement.

The supplement for the Community Services Block Grant was created in the 1985-87 biennium as a measure to soften the blow of elimination or significant reduction of the block grant by the federal government. Since that time, federal funding for the Community Services Block Grant has remained relatively stable. Therefore, the state supplement is unnecessary and represents an undesirable precedent for picking up federal reductions with state resources.

23. Homeless Shelters  
*Sections 354r, 863m and 863s*

These sections provide an increase to the existing Homeless Shelters grants program and establishes an additional program designed to assist in the provision of long-term transitional housing for up to 180 days.

My partial veto of Section 863m reduces the amount authorized as an increase for the existing homeless appropriation. Current law provides \$450,000 GPR per year for grants to homeless shelters. Section 863m would have increased this allocation by \$150,000 GPR per year—an increase of over 30 percent. My partial veto will limit that increase to \$50,000 GPR, or a more reasonable 11 percent above the base allocation.

In addition, I am vetoing Sections 354r and 863s to eliminate the authorization for the new transitional housing program. I have vetoed these sections because they represents a new spending program at a time when we are striving to gain control of state spending.

I am directing the Department of Administration to place the \$150,000 not authorized as a result of my veto to these sections in unallotted reserve in each year to lapse to the general fund.

24. Juvenile Code: Extended Juvenile Court Jurisdiction  
*Sections 893c as it relates to court orders to extend jurisdiction*

This provision extends juvenile court jurisdiction over 14-year olds and 15-year olds who commit first or second degree murder or other violent crimes. Extensions are to age 25 for those committing first degree murder and to age 21 for those committing other violent crimes if the Department of Health and Social Services or the county department having legal custody petitions the court for such an extension when the person reaches 18 years of age. I have partially vetoed this provision in a way which automatically imposes extended jurisdiction for all adjudicated delinquents from age 12 through age 17 who have committed first or second degree murder or other violent crimes. This veto strengthens the authority of the courts to deal firmly with violent juvenile delinquency. I plan to introduce further remedial legislation to address specific issues regarding 12-year-olds and 13-year-olds because the only way I could extend jurisdiction to 16- and 17-year-olds through the veto was to include all ages 12 through 17.

25. Juvenile Code: Length of Dispositional Orders  
*Section 880x*

This provision allows the court to impose a dispositional order for a maximum of two years for a child adjudged delinquent for committing first or second degree murder. I have partially vetoed this provision to extend the maximum length of a dispositional order to two years for all juveniles adjudged delinquent. This veto will allow courts more judicial discretion regarding length of dispositional orders and more efficient use of the resources of the courts and the Division of Corrections.

26. Juvenile Code: Transfer to or between Facilities  
*Section 893c as it relates to transfer of inmates*

This provision allows the Department of Health and Social Services to transfer a person subject to extended jurisdiction between correctional facilities and, upon reaching age 18, to transfer such persons between state prisons without petitioning the court for a revision of the order. Additionally, the department is required to promulgate rules establishing a hearing procedure for persons transferred from a less secure to a more secure state prison. I have partially vetoed the provision which requires the department to promulgate rules for transfers from a less secure to a more secure prison. The department currently has a procedure under the program review committee process which addresses transfers between prisons. Vetoing this provision will allow the department to consistently apply the same procedures for persons subject to extended jurisdiction as it does for other inmates.

27. Juvenile Code: Stay of Sanction for Violation of an Order  
*Section 880y as it relates to staying the imposition of a sanction*

This provision allows the courts to stay the imposition of a sanction, which the court imposed because the child violated the conditions of a dispositional order, for a specific period of time in order to give the child a reasonable opportunity to comply with the dispositional order and thereby avoid the sanction. If the court enters a stay, a hearing is scheduled at which the sole issue shall be the child's compliance with the dispositional order unless a party offers new evidence regarding whether the sanction is in the best interests of the child. I have vetoed this provision because courts already have the general authority to stay the imposition of court orders.

28. Juvenile Code: 48 Hour Detention  
*Section 880y as it relates to the detention sanctions*

This provision allows the court to place a child in a secure detention facility or juvenile portion of a county jail for not more than 48 hours only if no other sanction is appropriate for violation of an order which is subject to sanctions. I have partially vetoed this provision to give the court more judicial discretion when imposing sanctions. Specifically, I have vetoed this provision in a way which provides for up to 10 days of detention and

deletes the provision which requires the court to release the juvenile to attend school. The court would still be required to order the child to receive education services while in detention. My intention is to provide the courts with the judicial discretion to release children from detention to attend school if appropriate. Regarding this provision, I am directing the Department of Health and Social Services to promulgate administrative rules which would only allow counties with facilities that conform to the federal Juvenile Justice Delinquency Prevention Act standards for jail removal to utilize this option.

29. Juvenile Code: Limits on Sanctions for Violation of Order  
*Section 880y as it relates to standards for imposing sanctions*

This provision relates to the ability of the court to impose sanctions for violations of dispositional orders by a child who has been adjudicated delinquent. It permits the imposition of a sanction only if it is determined by the court that the violation is willful and egregious, that the sanction will serve as a deterrent to future rule violations and that the sanction will contribute to the child's rehabilitation. I have partially vetoed this provision to allow more judicial discretion because the courts should not be required to meet all three standards when any one of the three standards, in addition to other considerations, should be sufficient to impose sanctions for violation of an order.

30. Juvenile Code: Petition for Discharge Hearings  
*Section 893c as it relates to discharge from supervision*

This provision requires the court to terminate extended jurisdiction and discharge a juvenile unless the court finds, based on evidence presented at the discharge hearing, that there are reasonable grounds to believe that discharging the person will pose a threat of bodily harm to other persons. I have partially vetoed this provision because under a courtordered disposition for placement of an adjudicated delinquent in a secured correctional facility the court already has found the child to be a danger to the public and in need of restrictive custodial treatment. This veto will give courts more discretion regarding petitions for discharge for juveniles subject to extended jurisdiction.

31. Juvenile Code: Protection of the Public  
*Section 880u*

This provision requires judges to order juvenile delinquency dispositions which are "consistent with the protection of the public interest." This requirement is in addition to existing statutory provisions that require judges to order dispositions which are in the best interest of the child and least restrictive of his or her rights. I have vetoed the word "interest" in order to give judges stronger direction when balancing the need for public protection on the one hand and rehabilitation of the juvenile on the other.

32. Juvenile Code: Notice to Victims of Children's Acts  
*Section 880t*

This provision repeals and recreates policies regarding the notification of victims of juvenile violations that have proven to be administratively difficult. I have partially vetoed the provision that includes county boards in establishing the required procedures. It appears that language was included so that affected governmental bodies would cooperate in developing the notification requirements. However, it is inappropriate for the county board to establish court procedures. The effect of my partial veto will be to direct the chief judges and circuit judges to establish the required policies and rules.

I am also vetoing language that directs the judges to act in accordance with section 48.06(1) and (2), of the statutes.

Without this technical adjustment it could be argued that a judge could not direct a district attorney to be responsible for the notification requirements. In most cases district attorneys are the only persons in the justice system who have contact with the victims.

33. Juvenile Code: Notification of Conditions to Impose Sanctions  
*Section 880y as it relates to informing a child of conditions specified as part of a dispositional order*

This provision requires that, if a child who has been adjudged delinquent violates a condition imposed by a dispositional order, the court may impose on the child sanctions specified by law. A sanction may only be imposed if, at a prior dispositional hearing, the judge explained the conditions to the child and provided the child with a written copy of the conditions. I have partially vetoed this provision in a way which only requires the judge to orally explain the conditions. This veto relieves judges from processing unnecessary documents and eliminates an additional technicality that may be used by legal counsel.

34. Juvenile Code: Apprehension of Runaways from Juvenile Institutions  
*Section 880b*

This provision repeals and recreates the statutory provision which gives superintendents of juvenile correctional institutions authority to apprehend juveniles who run away from their institutions. Current law allows superintendents to apprehend a child if they are in prompt pursuit of a child who has run away from the institution or if a child has failed to return to a secured correctional facility after any authorized absence. This provision deletes the superintendent's authority to apprehend those children who fail to return from an authorized absence. I have vetoed this provision to retain current law authority for superintendents because it provides for greater protection of the public.

35. Juvenile Code: Extended Jurisdiction--Notice of Hearing  
*Section 893c as it relates to notice of hearings*

This provision provides detailed instructions for notice of hearings for extension, revision or discharge of extended court jurisdictional orders. I have vetoed this provision because current law provides adequate guidance for notice of hearings.

36. Overcrowding at Correctional Institutions  
*Section 3024(10r) (intro.)*

This provision requires the Department of Health and Social Services (DHSS) to conduct a study of overcrowding in correctional institutions in conjunction with representatives of the Supreme Court, the Judicial Council, the Sentencing Commission, district attorneys, the office of the State Public Defender and any other group selected by the Secretary of DHSS.

DHSS is required to make recommendations in the 1988-89 annual budget based on the study. I have vetoed that part of the provision which requires DHSS to make recommendations in the 1988-89 annual budget because there is insufficient time to complete a thorough study before the Governor's recommendations for the 1988-89 budget are submitted to the Legislature.

37. Study Juvenile Institution Staffing  
*Section 3024(11b)*

This provision requires the Department of Health and Social Services to study staffing patterns used at juvenile correctional institutions and submit a report of the results of the study to the Legislature by October 1, 1987. I have vetoed this provision because the data is currently available and periodically reviewed by the department to ensure that staffing levels are adequate to meet the needs of the juvenile correctional program.

38. Prisoner Medical Care Study  
*Section 3024(10m)*

This provision requires the Department of Health and Social Services to study and report to the Legislature by August 1, 1988, the costs associated with state reimbursement to counties for the costs of medical and hospital care and treatment for prisoners in county jails who are being held or detained at the request of a state probation or parole agent. I have vetoed this provision because such data can be obtained without a statutorily required study.

39. Early Prison Release  
*Sections 1181c, 3024(19r) and 3204(24) (Lm)*

These provisions require the Department of Health and Social Services to promulgate emergency rules to be followed by regular administrative rules to administer a special action release program which is intended to reduce crowded conditions in state prisons. I have vetoed these provisions because current law and existing administrative rules allow the department sufficient

flexibility to administer a special action release program such as the one which is currently operational.

40. Correctional Officer Training Center Move  
*Section 3024(10x)*

This section requires the Department of Health and Social Services to develop a plan to relocate the site of correctional officer training from Oshkosh to Milwaukee, Racine or Kenosha County and submit the plan to the Joint Committee on Finance by January 1, 1988. I have vetoed this provision because the present correctional officer training site is conveniently located to serve correctional institutions and it performs its training responsibilities efficiently and effectively from that site.

41. Sturtevant Drop-off Center  
*Section 3024(10sj)*

This section requires the Department of Health and Social Services (DHSS) to develop a plan for using the Sturtevant Correctional Institution as a drop-off center for new inmates committed to the Division of Corrections (DOC) who must then be transported by DOC to the reception center at the Dodge Correctional Institution. DHSS would be required to make recommendations to implement the plan in the 1989-91 biennial budget. I have vetoed this section to allow the department more flexibility to make a comprehensive review of all the factors regarding the concept and operation of its reception facilities, before committing to one specific location.

42. State Health Insurance Program (SHIP)  
*Sections 43ng, 132 chapter 20 schedule as it relates to s. 20.435(1)(fa) and (fb), 306m, 307 as it relates to the state health insurance pilot projects, 315g, 315j, 317r as it relates to the state health insurance program, 1840m and 3024(24m)*

Section 43ng creates a Council on Pilot Projects for the Uninsured to replace the current Council on Health Care Coverage for the Uninsured. Sections 132, 306m, 307, 315g, and 317r all are related to funding of the pilot projects for the uninsured. Section 1840m creates six pilot projects to be conducted over the biennium. Section 3024(24m) allows for the transfer of all records, materials, supplies and equipment of the council on health care coverage for the uninsured to the council on pilot projects for the uninsured.

I am vetoing section 43ng which establishes a nine member council on pilot projects for the uninsured because I am vetoing all of the created pilots for the uninsured. More time is needed to look at issues relating to the uninsured with both the Department of Health and Social Services and the current council. In addition, I am vetoing sections 315g and 315j in order to eliminate all GPR funding for the pilots. I am also partially vetoing section 317r as it relates to funding certain administrative costs associated with the SHIP program. This is consistent with my intent that there be no SHIP

pilots conducted at present. Also, there should be no administrative costs associated with SHIP since there will be no pilots to evaluate as part of the overall development of a statewide SHIP program. I am vetoing section 1840m and partially vetoing section 3024(24m) in order to eliminate all six proposed SHIP pilots.

Health care coverage is obviously an important area for study. Therefore, while I am vetoing the proposed pilot projects for the uninsured, I am continuing the Wisconcare program and I intend to work closely with the council and the Department of Health and Social Services to further examine this area.

43. WISCONCARE  
*Sections 132 as it relates to 20.435(1)(fc) and (gp), 315m, 317r as it relates to Wisconcare funding, 1840v, 1841m and 1843*

These sections convert the Wisconcare program from program revenue to GPR funding at a reduced level from 1986-87 and with slightly different participation criteria. They also create a new appropriation for this purpose and stipulate that the department may modify the Wisconcare criteria in counties where SHIP pilots exist simultaneously. I am vetoing the creation of a new appropriation, and the changes to current law, to return this program to program revenue funding and current participation criteria. I believe it is appropriate to continue Wisconcare on the same basis as in the previous biennium.

In addition, I am vetoing section 1841m which deals with criteria when SHIP pilots and Wisconcare coexist. This section is unnecessary since I am also vetoing the proposed SHIP pilots.

44. Mandated Chiropractic Coverage  
*Sections 2112t, 3031(2g), 3203(31)(bg)(intro) and 3204(31)(aj)*

Section 2112t requires that no policy, plan or contract may exclude coverage for diagnosis and treatment of a condition or complaint by a licensed chiropractor if it covers diagnosis and treatment of a condition or complaint by a licensed physician or osteopath, even if different nomenclature is used to describe the condition or complaint. In addition, this section expressly prohibits the requirement of physician referral for the receipt of chiropractic services. There are also provisions relating to equity between chiropractors and physicians including those regarding deductibles and copayment provisions and cost containment or quality assurance mechanisms. Similarly, there are provisions regarding participation of chiropractors as well as a requirement that the Commissioner of Insurance promulgate rules regarding maintenance by insurers affected under this section.

I am partially vetoing section 2112t to eliminate all provisions not related to: mandatory coverage of chiropractic services; prohibition on referral by physician as necessary for receipt of chiropractic care; and equity

between chiropractors and physicians for deductibles and copayment provisions and cost containment or quality assurance mechanisms. However, in the case of the provision relating to equity in utilization of cost containment or quality assurance mechanisms between chiropractors and physicians, I am partially vetoing some superfluous language.

The other provisions being eliminated in section 2112t are redundant with current law regarding availability and sufficiency of providers. Under current law, such deficiencies are grounds for enforcement actions by the Office of the Commissioner of Insurance.

It is my intention that chiropractic coverage be accessible to persons who currently receive physician care for similar types of conditions. It is also my intention that insurers have flexibility in the development and implementation of cost containment and quality assurance mechanisms, provided they are applied equally to chiropractors and physicians.

Section 3031(2g) relates to record keeping rules regarding chiropractic coverage, to be submitted by the Commissioner of Insurance to the Legislative Council. I am vetoing this section to be consistent with my partial veto of section 2112t, which includes rule making by the commissioner.

Sections 3203(31)(bg) and 3204(31)(aj) relate to the treatment of various sections relating to chiropractic coverage. I am partially vetoing these sections to remove references to provisions I am vetoing under section 2112t.

**45. AIDS/HIV Grants to Local Health Departments**  
*Section 1833m*

This section provides grants for follow-up care of persons with AIDS to up to four local health departments in high incidence areas to provide community-oriented services, education to the public and training for providers. I am vetoing this provision because it duplicates services already in existence or provided elsewhere in this budget. Community-oriented services are provided by social service departments and state-assisted voluntary agencies. Education and training to providers will be available under the information network and statewide public education campaign provided in this budget. With this veto, I am directing the Department of Administration to hold \$115,000 GPR annually in unallotted reserve in the general operations appropriation of the Division of Health, for lapse to the general fund.

**46. AIDS/HIV Alternate Site Funding**  
*Section 303m*

This section stipulates that, of the funds available in the general operations appropriation (20.435(1)(a)) in the Division of Health, \$75,000 in each fiscal year shall not be spent unless the department has expended all federal funds available for the provision of anonymous counselling services and laboratory testing services for

the presence of the AIDS virus at alternate testing sites. I am vetoing this section because I do not believe it is necessary to commit state funds to this purpose, as I expect that federal funds will be sufficient during 1988. If additional funding becomes necessary, there are established legislative procedures to request it. With this veto, I am directing the Department of Administration to place in unallotted reserve the amount of \$75,000 annually from appropriation 20.435(1)(am), for lapse to the general fund. These funds were placed in the wrong appropriation in SB 100.

**47. IMD Technical Language Changes**  
*Sections 1011d and 1011o*

Sections 1011d and 1011o would cut off all MA benefits to the medically needy who reside in a nursing home that is found to be an institution for mental diseases (IMD) or who are inmates of a public institution that is an intermediate care facility and is also found to be an IMD. These two provisions would apply to all medically needy persons regardless of the recipient's age. I am vetoing these sections in order to go back to current law. Under current law, MA reimburses for services to persons under the age of 21 and 65 years of age or older. Similarly, my veto would allow for other covered MA card services to all persons of any age residing in an IMD.

**48. MA: Alcohol and Other Drug Abuse (AODA) Hospital Payment**  
*Sections 307 as it relates to MA payment for care in hospitals found to be IMDs and 994r*

These sections would allow for continued GPR share of the medical assistance daily rate for AODA hospitals found to be institutions for mental diseases (IMDs). State funding would be available during the period of July 1, 1987 to November 1, 1987. I am vetoing section 994r because I feel that it is important to limit the state's potential liability regarding federal audits and disallowances for IMDs. Moreover, I am directing the Department of Health and Social Services to work closely with these hospitals through the period of IMD identification and subsequent elimination of MA payment. In this way, many disruptions to both affected facilities and residents may be minimized. Consistent with this, I am partially vetoing section 307 as it relates to medical assistance reimbursement for care in hospitals found to be institutions for mental diseases. Thus, I am directing the Department of Administration to place the funds allocated for this payment, \$482,700 GPR in 1987-88 in unallotted reserve to lapse to the general fund at the end of the biennium.

**49. Funding of Certain Nursing Home Residents and Relocations**  
*Sections 816m, 994m and 1863m*

Section 816m includes provisions for funding community placements for persons with mental illness who are 22 to 64 years of age from nursing homes at risk of being institutions for mental diseases (IMDs). Funding levels are not to exceed 60 percent of the facility's medical

assistance daily rate. This section also requires that nursing home beds be closed, and the statewide bed cap be decreased as a result of resident relocations. I am partially vetoing this section to allow the Department of Health and Social Services to pool all beds which are vacated as a result of relocations. This section cross references section 1863m, which requires the department to decrease the statewide bed cap by the number of beds closed under section 816m. I am vetoing this section in order to be consistent with my partial veto of section 816m. It is my intention that the department have maximum flexibility in pooling beds in order to offset future demands for additional nursing home bed capacity.

Section 994m provides for funding institutional care or community placements for persons with mental illness who are 22 to 64 years of age from nursing homes found to be IMDs at 60 percent of the facility's MA daily rate. In addition, this section includes language which would allow for pooling of beds closed as a result of resident relocation into the community. These beds would be distributed when funding is appropriated by the Legislature and the Joint Committee on Finance has approved the bed distribution plan and funding. I am partially vetoing this section to remove language relating to relocations. My intent is to consolidate all relocations under section 816m at funding up to 60 percent of the facility's MA daily rate. As regards funding for relocations of residents from facilities affected by these sections, it is my intent that the department and the affected counties share the costs of funding for relocations. I will work with the department in developing a cost-sharing approach.

In addition, I am partially vetoing some provisions in section 994m related to bed pooling funding and approval in order to allow the Department of Health and Social Services greater flexibility. However, the department would still be required to develop rules regarding the redistribution of beds under this section.

50. Access to Hospital Evaluations  
*Section 1836c*

This section allows the Department of Health and Social Services access to hospital evaluations. This provision is applicable to facilities that are owned or operated either by the state or by local units of government. I have vetoed this section because, under current law, the department has access to these hospitals' evaluations. There is no reason to specify hospital type or ownership in the statutes.

51. Home Health Care and Personal Care Report  
*Section 3024(9a)*

This section requires the Department of Health and Social Services to submit a report to the Joint Committee on Finance, by June 30, 1989. This report would be the evaluation of the feasibility of implementing a reimbursement system of home health care and personal care services under the medical assistance program based

on competitive bidding. In addition, this section requires that the department study the costs of providing home health care and personal care services. A report, detailing the results of the study is due to the Legislature by January 1, 1988.

I am vetoing the reports regarding various issues relating to home health care and personal care services. While I believe that these issues ought to be studied, I feel that they need not be addressed statutorily. Therefore, I would direct the department to study any important issues relating to the provision and delivery of home health care and personal care services.

52. Council on Long-Term Care Insurance  
*Section 43r*

This section creates a council on long-term care insurance which will exist through September 1, 1988. Further, this section requires that the council advise the Department of Health and Social Services on the design of a long-term care insurance plan. Lastly, of the nine members to be appointed to serve on this council, five are to be appointed by the Governor, two by the President of the Senate and two by the Speaker of the Assembly. I am partially vetoing this section in order to allow me to appoint all nine members of this council.

53. MA: CIP I Rates  
*Sections 852g and 852r*

These sections would require that the maximum Community Integration Program I (CIP I) rate not exceed an \$80 per diem for each person relocated under this program, unless adjusted, after a fourteen day approval process, by the Joint Committee on Finance. I am vetoing parts of section 852g and all of section 852r because it is my intention that the rates established under CIP I for relocated persons be reasonable and adequate to meet the costs of community-based care. I feel that this can be accomplished without the direct involvement of the Joint Committee on Finance. However, I direct the department to send a report to the committee, which will outline the per diem costs and any other relevant and useful information relating to the CIP I waiver rates.

54. MA: CIP II Vacant Slots  
*Sections 307 as it relates to CIP II and 854m*

These sections would allow GPR funding from the medical assistance amounts for vacant slots to be filled by mentally ill persons, who would otherwise be ineligible under these community integration program (CIP II). I am aware that the state faces many difficulties regarding serving persons who would have been admitted to a nursing home had it not been for potential federal audits and disallowances. However, I do not believe that this section addresses these difficulties in any meaningful and comprehensive way. Moreover, allowing ineligible persons to compete with eligible persons for these waived services is inconsistent with the philosophy underlying federal waiver programs, and should not be supported. Therefore, I am vetoing section



854m. Similarly, I am partially vetoing section 307 as it relates to the GPR share of the medical assistance appropriation which would allow funding of these persons.

55. MA: Alcohol and Other Drug Abuse (AODA) Day Treatment and Study  
*Sections 1003 and 3024(18dm)*

Section 1003 would expand services currently covered under medical assistance (MA) through the addition of coverage of alcohol and other drug abuse (AODA) day treatment services. I am aware that certain budget provisions will result in elimination of MA payment to certain hospitals which offer a preponderance of AODA services, and thus, are institutions for mental disease (IMDs). While residents between the ages of 21 to 65 years of age will become ineligible for MA reimbursement in these facilities, other opportunities for receiving similar services remain available. I am vetoing this section because I do not feel that the addition of AODA day treatment services is necessary at this time. Thus, I am directing the Department of Administration to place the funds allocated for this service, \$180,000 GPR in 1987-88 and \$356,900 GPR in 1988-89 in unallotted reserve to lapse to the general fund at the end of the biennium.

Section 3024(18dm) requires a study on the impact of expansion of outpatient AODA services to include day treatment on inpatient AODA expenditures under MA. I am vetoing this section because this study cannot be conducted without the addition of AODA day treatment services under MA.

56. MA: Case Management for Emotionally Disturbed Children  
*Section 1000s*

This section adds coverage of case management for severely emotionally disturbed children under 21 years of age under medical assistance, and specifies eligibility criteria. I am partially vetoing this section to remove language relating to specific eligibility criteria. I feel that the Department of Health and Social Services should not be limited by specified eligibility criteria, but rather, that the department work closely with the federal medical assistance administrating agency to develop appropriate and feasible definitions and criteria under coverage of case management. By allowing the department greater flexibility to develop their own criteria, it would appear more likely that federal approval of this new service will be expedited.

57. MA: Physician Reimbursement  
*Section 3024(17r)*

This section would provide additional funding for physicians performing cardiovascular and brain surgeries under the medical assistance (MA) program. This would result in an increase in their reimbursement rates. I am vetoing this section because singling out

specific subgroups of physicians for rate adjustments is not good public policy.

58. Nursing Home Residents' Right to Know  
*Section 1059v*

This section provides current and prospective nursing home residents with access to certain information about nursing homes. In addition, it would require that the Department of Health and Social Services promulgate rules regarding this information, some of which is specified in this section. Lastly, it would require nursing homes to provide copies of this information to all applicable persons. I am partially vetoing this section to remove language which specifies what types of information must be included. Instead, I would direct the department, in cooperation with nursing homes, to develop specific information requirements necessary to meet residents' needs.

59. Nursing Home Minimum Staffing Patterns: Enforcement  
*Section 1058k*

Section 1058k requires that the Department of Health and Social Services, beginning January 1, 1988, enforce nursing home minimum staffing requirements based on daily staffing levels. Under current law, nursing home minimum staffing requirements are based on weekly requirements. I am vetoing this section because I feel that such a change could have major ramifications for both the state as well as the nursing home industry.

This provision might require nursing homes to add staff to meet daily staffing ratios, or to change current staffing patterns. The addition of staff would likely have a fiscal impact on both nursing homes and the state. In addition, it appears that altering current staff resources to meet daily staffing ratios could disrupt negotiated work schedules, and could require additional bargaining between nursing home administrators and their staff. This issue will be examined as part of a broader study of nursing homes.

60. Nursing Home Studies: Minimum Staffing and Employe Wages  
*Sections 3024(22n) and (24r)*

Section 3024(22n) requires that the Department of Health and Social Services study nursing home minimum staffing requirements and financial impact based on daily staffing levels. I am partially vetoing this section to remove language relating to the study of the financial impact of minimum staffing requirements. However, it is my intent that nursing home issues be studied, and therefore, I am leaving language which would require the department to study nursing homes.

Section 3024(24r) requires the department to study modifications to the nursing home payment formula under medical assistance for the purpose of changing employe wages. I am vetoing this section and, instead, planning to study this issue as part of a broader study of nursing homes.

61. Specialized Nursing Home Rules  
*Sections 1058c and 3024(23n)*

Sections 1058c and 3024(23n) would require the Department of Health and Social Services to promulgate rules to establish standard and operating authorization procedures for the provision of services by specialized nursing homes or specialized units of nursing homes and to submit these rules to Legislative Council staff for review. I am vetoing these sections because the department can promulgate rules as needed.

62. Access to Private Pay Nursing Home Records  
*Section 1836nn*

This section allows the Department of Health and Social Services access to private pay nursing home records, if required as part of a federal or state legally authorized function, without written consent by the patient. I am vetoing this section because of my concern that state intrusion into records of private citizens, who receive no assistance from the state, represents a major breach of privacy. It is my hope that if an occasion arises where access to private pay nursing home records is necessitated, the state will work closely with the particular nursing home administrators and the private pay residents to assure appropriate access.

63. Nursing Home Forfeitures and Rules  
*Sections 1058t and 3024(22i)*

Section 1058t amends current law to expand the application of triple forfeitures to be assessed on nursing homes that receive notification of violation of rules grouped under rules promulgated by the Department of Health and Social Services. Section 3042(22i) requires the department to submit proposed rules under section 1058t to the Legislative Council staff by July 1, 1988. I am vetoing both of these sections in order to return to current law. Forfeiture issues will be examined as part of a broader nursing home study.

64. Nursing Home Inspections  
*Sections 1058e and 3024(22b)*

Section 1058e requires the Department of Health and Social Services to conduct both announced and unannounced nursing home inspections. Section 3024(22b) provides 1.27 PRF position authorization for the purpose of conducting announced and unannounced nursing home inspections.

I am vetoing these sections and instead: (1) administratively directing the department to conduct announced and unannounced nursing home inspections as necessary; (2) directing the department to utilize existing staff resources for these inspections; and (3) directing the Department of Administration to place the funds allocated for this purpose, \$50,300 GPR in 1987-88 and \$67,100 GPR in 1988-89 in unallotted reserve to lapse to the general fund and to reduce the GPR positions authorized for this purpose.

65. Nursing Home Surveys  
*Sections 991m, 992m, 994p and 3024(14r)*

These sections relate to the declaration of a facility as an institution for mental diseases (IMD) and associated surveys for purposes of appropriate payment under medical assistance. I am vetoing sections 991m, 992m and 3024(14r) which relate to or direct the Department of Health and Social Services to conduct or contract for surveys of nursing homes at risk of being IMDs in order to find a facility to be an IMD and reduce potential disallowances. I am partially vetoing section 994p as it relates to the department surveying and finding a facility to be an IMD.

The department already has authority to survey facilities and to contract for survey staff. Hence, this legislation is unnecessary. I am also directing the Department of Administration to place the funds allocated for the purpose of IMD surveys under section 992m, \$10,400 GPR in 1987-88 in unallotted reserve to lapse to the general fund.

66. Low Income Energy Assistance Program (LIEAP) Crisis Assistance  
*Section 1047*

This section provides that the benefit paid under section 49.80(3)(e)2 of the statutes be termed a "crisis assistance" benefit and reduces the allocation to counties for payment of this benefit to \$1,400,000 of federal funds in federal fiscal years 1988 and 1989. I am partially vetoing this section to ensure that the allocation to counties for crisis assistance benefits is maintained at the current law level, \$2,400,000 PRF, for federal fiscal years 1988 and 1989.

The Legislature modified the crisis assistance allocation based on last winter's expenditures. Since the past heating season was relatively mild, I believe it would be an error to authorize such a significant reduction in this allocation of the Low Income Energy Assistance Program block grant used to address heating emergencies.

67. Temporary Restaurants  
*Section 1071 as it relates to 50.53(1)(d)*

This section establishes two separate license fees for temporary restaurants and the fee differs depending upon how often the restaurant relocates. A temporary restaurant which moves fewer than six times per year would pay a license fee of \$40 but one which moves more frequently would be charged \$100 per license. I am vetoing the language which creates the new licensing category for temporary restaurants moving more than six times per year because the costs of implementing this provision would exceed the revenue generated. Further, the inordinate amount of staff time needed to enforce the provision would not necessarily ensure a corresponding improvement in health standards. As a result, the proposed temporary restaurant category with a fee of

\$40 should be applicable to all temporary restaurants regardless of the number of times they relocate.

68. Establishing Permit Fees

*Sections 1071 as it relates to 50.53(1)(intro.), 1073, 1074g, 1076g, 1785 and 3203(24)(a)2*

These sections give the Department of Health and Social Services the authority to establish permit fees for restaurants, hotels and other public facilities by administrative rule. In my budget, I originally proposed this delegation of authority to the department. However, during legislative debate, a new provision was added to require annual inspections of restaurants. I am approving that requirement. While the fee increase included in this budget will support the new annual inspection program for the near future, a fee increase will probably be required later. I am concerned that if such a proposal were considered under the administrative rule process, it would not receive the necessary levels of public, legislative, and gubernatorial review. As a result, I am vetoing the provisions which allow the department to establish the fees by rule. Current law, which requires that permit fees be set by statute, will thereby be retained.

69. Anti-Drug Abuse Grant Administrative Funding

*Section 3024 (9g)(a)3 and 4*

This section provides community-based drug treatment for persons who are given a special parole from prison. I am partially vetoing this provision to retain funding required for administration of federal anti-drug law enforcement grants in the Wisconsin Council on Criminal Justice. Diversion of the administrative funds by the Legislature left insufficient support and risked loss of \$3.5 million in federal assistance. Two-thirds of the grants which would be jeopardized go to local units of government. The veto is worded so that drug treatment of parolees is combined with intensive parole supervision as an activity to be funded with other federal anti-drug abuse and state penalty assessment surcharge dollars.

70. Drug Abuse Prevention for Youth

*Section 3024(1)(b)*

This section authorizes grants for community-based drug and alcohol prevention. The federally funded program is targeted at youths who are at the greatest risk of abuse. A legislative amendment, however, would deny help to children who have dropped out of school. I have partially vetoed this section to restore assistance to dropouts. This will ensure that local organizations can concentrate on helping those youth who need help most, without being arbitrarily restricted.

71. Performance Standards for Mental Health and Juvenile Justice

*Sections 811ag, 862ab and 3024(11h)*

Section 811ag requires the department to submit recommendations to the Joint Committee on Finance by October 31, 1987 regarding performance standards

criteria to be used to determine if counties are successfully diverting juveniles from correctional institutions into community programs. Section 862ab requires the Department to develop performance standards for mental health and juvenile justice services and to allocate funding increases for Community Aids in 1990 using these standards. Section 3024(11h) requires the Department to report to the Joint Committee on Finance by October 31, 1987 on the standards it will develop under s. 46.47(1).

I am partially vetoing section 811ag to delay by three months the date by which the department must submit recommendations to the Joint Committee on Finance. I am partially vetoing section 3024(11h) to remove the date by which the department must submit a report to the Joint Committee on Finance on the standards it will develop. These vetoes are to allow the department a reasonable time to develop these recommendations and standards.

I am partially vetoing section 862ab to remove the requirement that the performance standards be used to allocate funding increases in 1990. The Legislature and I should have an opportunity to fully review the allocation method before being committed to distributing funds on this basis.

72. Increases in the Community Support Program

*Sections 132 as it relates to 20.435(4)(bb) and (bc), 349g, 349r, 1100t, 1100v, 1100vm and 1100w*

These sections do three things. First, they create a new appropriation to expand the current Community Support Program (CSP). Second, they create a new appropriation to assist CSPs in becoming eligible for certification as Medical Assistance providers. Finally, a section requires that the funds in either appropriation not be used to replace current funding for the program.

I am vetoing or partially vetoing sections 132, 349r, 1100t and 1100vm, which create an expansion in the CSP because sufficient funds are not available for all the community program increases added by the Legislature. For example, a significant increase in the Community Options Program will not be vetoed. This has meant that difficult decisions needed to be made on where spending could be reduced, and other community programs had higher priority.

I am vetoing or partially vetoing sections 132, 349g, 1100t and 1100v, which provide an appropriation for CSPs to develop MA certification because the funds provided are greatly in excess of those estimated to be necessary to accomplish the goal of bringing all CSPs into compliance with proposed provider standards.

Finally, I am vetoing section 1100w, which prohibits the funds being used to replace current funding as this section is unnecessary if neither increase in CSP exists.

73. Epilepsy Grants

*Sections 349, 861 as it relates to s. 46.40(12), 862 as it relates to s. 46.45(3)(a) and (b) and 862abr*

These sections create a new category in Community Aids for services to persons with epilepsy and allocate funds for these services. I am vetoing the creation of this new program because sufficient funding is not available for all the community program increases added by the Legislature. With this veto I am directing the Department of Administration to hold in unallotted reserve \$125,000 GPR annually in the Community Aids appropriation for lapse to the general fund. While the needs of persons with epilepsy are real, they should be met with current funding in the Basic County Allocation. Fiscal limits prevent me from creating a new category in Community Aids. The intent of the Basic County Allocation is to give counties the discretion to decide how to spend their portion of the Community Aids dollar based on local needs.

74. Long-Term Domestic Abuse Services

*Section 3024(15sc)*

This section increases funding available for long-term housing and support services for victims of abuse when provided by an agency which was providing these services as of May 17, 1987. I am partially vetoing this section to limit the funding to fiscal year 1988 only. The intent of this veto is to provide funding in sufficient amount and for sufficient time to allow this program to develop other sources of funding. It is my understanding that by providing these additional dollars for one year, development of another long-term funding source will be possible. With this veto, I am directing the Department of Administration to hold \$50,000 GPR in unallotted reserve in 1988-89 in the appropriation for domestic abuse, for lapse to the general fund.

75. Juvenile Restitution Program

*Sections 132 as it relates to 20.435(4)(cm), 355n and 811am*

These sections create a new appropriation and some funds for county juvenile restitution programs, and mandate every county with a population of over 13,000 to provide such a program. I am vetoing this provision and the funding because I am trying to reduce, not increase, mandates on counties. Moreover, the funding provided is insufficient to establish a restitution program in the 24 counties with populations over 13,000 where no program currently exists. Such programs, particularly if underfunded, would put additional pressure on the Youth Aids budget, adversely affecting in particular those counties that have already determined that other programs should receive priority Youth Aids Funding.

This veto should not be viewed as a negative comment upon juvenile restitution and community service programs. In several counties they have been highly successful in providing restitution to the victims of juvenile crimes, and these programs can impress upon juveniles a clear sense of their responsibility for the

consequences of their actions. Recidivism rates among juveniles who go through restitution programs appear to be low, and many juveniles continue to work at their jobs after they have finished making restitution. I encourage all counties to consider creating such a program.

76. Brain Injury Grants

*Sections 132 as it relates to 20.435(4)(be), 350m and 862abg*

These sections create a new appropriation to provide demonstration grants in four regions of the state to provide community-based services to persons with brain injury. I am vetoing the creation of this new program because sufficient funding is not available for all the community program increases added by the Legislature. While the needs of persons with brain injury are real, they should be met with current funding in the Basic County Allocation in Community Aids. Fiscal limits prevent me from creating a new categorical funding source for separate groups. The intent of the Basic County Allocation is to give counties the discretion to decide how to spend their portion of the Community Aids dollar based on local needs.

77. Community Aids Funding Restructuring Report

*Section 3024(11g)*

This section requires the Department of Health and Social Services to submit to the Joint Committee on Finance, by October 31, 1987, a report on restructuring the earmarking of community aids funding. I am vetoing this section, because a review of this nature is part of the department's ongoing evaluation and monitoring functions of the programs under its jurisdiction. Also in this budget is a requirement for a study of the validity of the Community Aids formula. The department may, if it considers it appropriate, include consideration of a restructure in its review of the Community Aids program for that study.

78. Developmentally Disabled Services in Community Aids

*Section 861 as it relates to s. 46.40(6)*

This section allocates additional funding for services to the developmentally disabled. The funding level would provide residential, social and vocational services for up to 1,900 developmentally disabled persons. My partial veto of this language will reduce this funding level. With this veto I am directing the Department of Administration to hold in unallotted reserve \$480,300 GPR in 1987-88 and \$1,441,000 GPR in 1988-89, for lapse to the general fund.

The intent of this veto is to establish an annual calendar year funding level of \$960,700 for this program. This level of funding will permit services to be provided for up to 1,000 persons. Increased demand for human services funding at a time of decreasing resources makes it imperative that I make responsible decisions about expenditures and take into consideration other increases

in community services added to the budget by the Legislature.

79. COP Waiver Rates  
*Section 850*

This section establishes the monthly rate for services to clients served within the Community Options Program (COP) by the COP Medical Assistance Home and Community-based waiver at \$800 per month. I am vetoing this section because I believe that the rate I recommended in the budget of \$695 per month is adequate to meet the needs of these clients. This rate is significantly above the statewide average rate for nonwaiver COP clients of \$439 per month. As the veto of this section will remove any directions for COP waiver rates, I am directing the Department of Health and Social Services to establish a rate of \$695 per month for COP waiver clients. I am also directing the Department of Administration to place in unallotted reserve in 1987-88 the amount of \$104,200 GPR in the Community Options appropriation for lapse to the general fund.

80. Use of COP and Community Aids Carryover Funds  
*Sections 845 and 862 as it relates to s. 46.45(3)(am)*

These sections prohibit Milwaukee County from using carryover funds in the Community Options and Community Aids programs for administrative or staff costs. I am partially vetoing this section to remove the reference to Milwaukee, thereby applying the prohibition to all counties. The intent is to insure that carryover funds statewide are used to provide services to individuals in need.

81. COP Right to Hearing  
*Section 846m*

This section permits persons who are denied eligibility for services or whose services are reduced or terminated under the Community Options Program to request a hearing from the Department of Health and Social Services.

I am vetoing this section because I believe that this provision could result in increased expenditures by the department, and there is no evidence to support that such expenditure is warranted.

82. Group Home Zoning Override  
*Sections 1204 bh, 1204c, 1207g, 1207k, 1215bh and 1215bp*

These sections would permit community living arrangements for less than five persons to be developed within less than 2,500 feet of each other (except in the city of Milwaukee) until July 1, 1991 without municipal approval. Current law requires that 2,500 feet exist between all community living arrangements, unless an exception is granted by the local municipality.

I appreciate the concern for the development of community facilities for persons from nursing homes

who are expected to be relocated over the next several years. However, I am vetoing these sections because I believe that exceptions to current zoning restrictions can appropriately be handled at the local level.

83. Elderly Benefit Specialists  
*Section 862ae*

This section establishes the allocation of funds for a new appropriation to increase the availability of elderly benefit specialists in each county by at least 16 hours per week, up to a maximum of 160 additional hours per week in Milwaukee. My partial veto of this language will have the effect of reducing the funds in this appropriation to a level which will still allow an additional 11 hours per week at a minimum. With this veto, I am directing the Department of Administration to hold in unallotted reserve \$203,000 GPR in 1987-88 for lapse to the general fund. The intent of this veto is to establish an annual funding level of \$612,300 for this program. I believe that this level of funding will be sufficient to produce a significant increase in benefit counselling available to the elderly, particularly when combined with the increased services which will be available from the Board on Aging and Long-Term Care contained in this budget.

84. Lead Poisoning Prevention  
*Section 3024(22r)*

This section provides funds to support two staff in Milwaukee to provide services related to lead poisoning prevention. These funds are to be matched by Milwaukee. I am vetoing this section. Human service funding is provided statewide, with counties given discretion to use those funds, within limits, as local priorities dictate. In addition, funding for such programs is available through the Federal Preventive Health Block Grant. With this veto, I am directing the Department of Administration to hold in unallotted reserve \$16,500 GPR in 1987-88 and \$33,000 GPR in 1988-89 from the general operations appropriation in the Division of Health, for lapse to the general fund.

85. Foster Care Placement Continuation  
*Section 861(13) as it relates to s. 46.40(13)*

This section provides a supplemental payment through Community Aids for the care of individuals in foster homes in Milwaukee County who lose foster care benefits upon their 18th birthday. This supplemental payment would not be available to any other county. I am vetoing this provision because it sets a questionable public policy precedent of providing this supplement only in a selective area of Wisconsin. Other counties would continue to use existing resources for this group. Additional services can be provided in Milwaukee through programs such as COP. With this veto, I am directing the Department of Administration to place in unallotted reserve \$28,200 GPR in 1987-88 and \$54,900 GPR in 1988-89 from the Community Aids appropriation, to lapse to the general fund.

86. Domestic Abuse on Wood County  
*Section 3024(15r)*

This section provides increased funding for a domestic abuse shelter in Wood County. I am vetoing this section because I believe it is poor public policy to stipulate funding for specific agencies in law. Allocation of funds should be based on need and determined locally. With this veto, I am directing the Department of Administration to hold \$10,000 GPR in 1987-88 and \$5,000 GPR in 1988-89 in unallotted reserve in the domestic abuse appropriation, for lapse to the general fund.

87. Sexual Assault Council  
*Sections 43p, 862z and 3024(15x)*

These sections create a sexual assault council of seven members to be appointed by me and to advise the Secretary of Health and Social Services regarding the expenditure of funds for the treatment of victims of sexual assault. I am vetoing these sections because I believe it is unnecessary to create such a council in statute. The Secretary of Health and Social Services may, if he considers it appropriate, establish an advisory group for this purpose. With this veto I am directing the Department of Administration to place \$2,500 GPR in 1987-88 in unallotted reserve in the Division of Community Services general operations appropriation, for lapse to the general fund.

88. Day Care Services in Milwaukee  
*Sections 3024(11r) and 3037(3m)*

These sections require that the Department of Health and Social Services study the feasibility of contracting with a private nonprofit organization for the administration of day care services in Milwaukee county, and that the Legislative Audit Bureau conduct an audit of day care expenditures in Milwaukee county in 1986. I am vetoing these sections because I believe it is inappropriate to conduct such studies and audits for a specific geographic area of the state. If the Department of Health and Social Services determines the need for such a study and/or audit for the entire state, such a provision could be included at a future date.

89. Bureau for Sensory Disabilities  
*Section 3024(8c)*

This section creates the Bureau for Sensory Disabilities in the Department of Health and Social Services. I am vetoing this section because it establishes an undesirable precedent to create bureaus by law. At my direction, the Department of Health and Social Services has created the Bureau for Sensory Disabilities in the Division of Vocational Rehabilitation according to the approved reorganization plan.

90. Advocacy Program in the Board on Aging and Long-Term Care  
*Sections 70rm, 132 as it relates to 20.432(2)(a), 301q, 1103ag, 1103ah and 1103ai*

These sections create a new program to provide advocacy services to the mentally ill and developmentally disabled who are relocated from nursing homes. The program would be implemented by the Wisconsin Coalition for Advocacy. I am vetoing this program because I believe advocacy services can be adequately provided by the counties. In a time of limited fiscal resources, it is of higher priority to fund existing programs than to create new ones. Because I recognize the concerns which many citizens have expressed about the effect of the relocation effort which will take place over the next several years for these groups, however, I will reconsider the need for such a program in the next budget.

91. Earmarking of Grants by the Adolescent Pregnancy Prevention Board  
*Section 863bm*

This section stipulates that the board shall award grants to agencies with specific program content in Milwaukee. The board was established in 1985 to make grants for pregnancy prevention services. Legislative intent was that the board, which was constructed to represent all viewpoints, would make grant award decisions independent of agencies or the Legislature. I am vetoing this section because earmarking would set a poor precedent by diminishing the independence of the board.

92. Restrictions on Grants Awarded by the Adolescent Pregnancy Prevention Board  
*Section 863br*

This section stipulates that the Adolescent Pregnancy Prevention Board may not disapprove a grant application solely because the applying organization has a religious affiliation, and enumerates activities which are prohibited under any grant award.

While several of the prohibited activities contained in this section are necessary to ensure that the grant program comports with the Establishment Clause of the First Amendment, I have vetoed those sections or parts of sections that are potentially more restrictive than Establishment Clause jurisprudence would suggest.

In order to pass muster under the Establishment Clause, an aid program must: (a) have a secular purpose, (b) have a primary effect that neither advances nor inhibits religion, and (c) avoid excessive entanglement between government and religion. When determining whether an assistance program passes this test, it is valuable to determine whether the institutions receiving assistance have independently secular functions that the State may assist without directly aiding religious activities.

Accordingly, I have vetoed those provisions which have the potential to exclude those institutions which, although affiliated with a religious institution, may serve independently secular functions of valuable benefit to

their communities and the state. I believe subsections (b) and (c), and a portion of subsection (a), sweep too broadly in this regard.

93. **Veteran's Economic Assistance Loan Income Limit**  
*Section 696r*

This section increases the income limit for economic assistance loans in the Department of Veterans Affairs to \$23,000 in 1988 and \$25,000 in 1989. I am partially vetoing this section to remove the 1989 increase. This veto is consistent with my desire to budget on an annual basis. I will consider a further increase in the economic assistance loan income limit at the time of consideration of the 1989 budget. With this veto, I am directing the Department of Administration in 1988-89 to place \$454,800 SEG in unallotted reserve in the Loans and Expense appropriation, and \$454,800 GPR in unallotted reserve in the Trust Fund Supplement appropriation, and to lapse the GPR funds to the general fund.

94. **Veteran's Primary Mortgage Loan Program Modifications**  
*Sections 698ak, 698b, 698ds, 698e, 698u, 699c and 701m*

These sections modify the primary mortgage loan program for veterans to eliminate both the 20 percent limit on down payments and the \$1,000 limit on assets. Further, the language allows an eligible veteran to use the primary loan program more than once; veterans can obtain another mortgage if the person's prior loan was assumed by another eligible veteran or if the person sold the residence financed by the program and paid off the balance in full. Current law requires that a down payment cannot be less than 5 percent nor more than 20 percent of the home price and that a veteran cannot have assets exceeding \$1,000 after shelter costs are paid. In addition, veterans can only obtain one mortgage unless certain extraordinary conditions apply.

I am vetoing these sections because the effect of the language is to expand the program's scope far beyond that which was originally intended. These proposals were not included in the agency's request and therefore were not subject to the public debate which should occur when such major changes in program direction are considered.

The program was established to allow eligible veterans of modest means to purchase homes with mortgages carrying reduced interest rates. The income eligibility limit has already been raised this year which will result in an increase in program participation. However, elimination of the asset and down payment limits would make the program available to more prosperous veterans. By restoring the limits on assets and down payments, the original intent of the program will be maintained.

In addition, the program was designed to give veterans access to the housing market; after the first purchase, the equity established would then allow the veteran to obtain a conventional mortgage for a larger and more expensive home. The proposed language which would allow repeated use of the primary mortgage loan program directly contradicts the original intent of the program.

95. **Child Support Certification for Veterans**  
*Sections 696nm and 790s*

The first section provides that a veteran who applies for a grant for temporary emergency health care or subsistence aid from the Department of Veterans Affairs (DVA) must be denied such a grant if the department receives certification from the Department of Health and Social Services (DHSS) that the applicant is delinquent in child support or maintenance payments. The second section includes the DVA economic grant program among the programs for which DHSS is authorized to provide certification.

I am vetoing or partially vetoing these sections because veterans who apply for such grants are so financially destitute that denial of an emergency grant will only make them less able to pay child support or maintenance payments. Exempting such applicants from this requirement and allowing them to receive the grant will help them get reestablished and therefore increase the likelihood of eventual payment of the delinquency.

SENATE CLEARINGHOUSE ORDERS

**Senate Clearinghouse Rule 87-50**

Relating to credit life and credit accident and sickness insurance.

Submitted by Office of the Commissioner of Insurance.

Report received from Agency, August 4, 1987.

Referred to committee on Labor, Business, Insurance, Veterans' and Military Affairs, August 5, 1987.

**Senate Clearinghouse Rule 87-59**

Relating to metering and other technical service provisions of the service rules for electric utilities.

Submitted by Public Service Commission.

Report received from Agency, August 4, 1987.

Referred to committee on Urban Affairs, Energy, Environmental Resources and Elections, August 5, 1987.

**Senate Clearinghouse Rule 85-154**

Relating to flammable and combustible liquids, including the protection of groundwater.

Submitted by Department of Industry, Labor and Human Relations.

Withdrawn by Agency, August 5, 1987.

JOURNAL OF THE SENATE [August 5, 1987]

State of Wisconsin  
Revisor of Statutes Bureau  
August 1, 1987

Donald J. Schneider  
Senate Chief Clerk  
Dear Mr. Schneider:

The following rules have been published and are effective:

Clearinghouse Rule 86- 51 effective August 1, 1987.  
Clearinghouse Rule 86-152 effective August 1, 1987.  
Clearinghouse Rule 86-181 effective August 1, 1987.  
Clearinghouse Rule 86-208 effective August 1, 1987.

Clearinghouse Rule 86-222 effective August 1, 1987.  
Clearinghouse Rule 86-228 effective August 1, 1987.  
Clearinghouse Rule 86-235 effective August 1, 1987.  
Clearinghouse Rule 87- 2 effective August 1, 1987.  
Clearinghouse Rule 87- 15 effective August 1, 1987.  
Clearinghouse Rule 87- 16 effective August 1, 1987.  
Clearinghouse Rule 87- 22 effective August 1, 1987.  
Clearinghouse Rule 87- 23 effective August 1, 1987.  
Clearinghouse Rule 87- 43 effective August 1, 1987.

Sincerely,  
GARY L. POULSON  
Assistant Revisor