STATE OF WISCONSIN

Senate Journal

Seventy-Ninth Session

FRIDAY, August 29, 1969.

9:00 o'clock A.M.

The senate met.

The senate was called to order by the clerk.

Upon motion of Senator Kendziorski, with unanimous consent, Senator Soik was selected as presiding officer.

Senator Soik in the chair.

The senate stood for a moment of silent prayer.

The calling of the roll was dispensed with, upon motion of Senator Draheim, with unanimous consent.

INTRODUCTION OF AMENDMENTS

Senate amendment 3 to Senate Bill 530 offered by Senators Soik and Devitt, by request of Milwaukee Metropolitan Chiefs of Police.

Senate amendment 1 to Senate Bill 538 offered by Senators Soik and Devitt, by request of Milwaukee Metropolitan Chiefs of Police.

INTRODUCTION OF BILLS

Senate Bill 667

Relating to exempting from the income tax persons who have retired from the armed forces of the U. S.

By Senator Soik, by request of Lt. Col. W. C. Sommer-meyer of Milwaukee.

Read first time.

To joint Survey committee on Tax Exemptions.

Senate Bill 668

Relating to the regulation of credit reporting agencies and users of credit reports.

By Senator Schreiber.

Read first time.

To committee on Labor, Taxation, Insurance and Banking.

PETITIONS AND COMMUNICATIONS

Senate Petition 487

A petition from 195 residents of the 23rd Senatorial District, urging favorable action on Senate Bill 222 and Assembly Bill 342.

By Senator Rasmusen.

To committee on Governmental and Veterans' Affairs.

EXECUTIVE COMMUNICATIONS

August 27, 1969.

To the Honorable, the Senate:

I am returning Senate Bill 95 with my partial approval (Chapter 154).

The Constitution of Wisconsin imposes on the Governor the responsibility to evaluate appropriation bills in their several parts, approving those with which he concurs, and rejecting those with which he takes exception. This Constitutional mandate to the Governor, which requires him to exercise his best judgment in interposing himself between the actions of the Legislature and the best interests of the people of the State, imposes a heavy responsibility.

The judicious exercise of this authority and responsibility is based upon the principles of the separation of powers and appropriate checks-and-balances between the legislative and executive branches of government. The chief executive cannot take this responsibility lightly, nor can he ignore it.

I have not taken that responsibility lightly.

The item veto actions I have taken are products of the most intense debate and discussion between members of my staff, members of the Legislature. local officials, state agency administrators, and myself. The decisions I reached were not easy, but they represent the only course of action open to me which I can follow in good conscience.

This particular bill has forced me to resolve a personal philosophical crisis more difficult than any other in my three terms as Governor.

Because of my long experience as a member of the Legislature, I have great regard for the legislative process and the ultimate wisdom reflected in the product of representative government. I have always believed that the public good is ultimately served by the full, open debate of public policy.

As Governor, I have always tried to live up to my deep personal conviction that executive involvement in the legislative process should be restricted to the recommendation of specific programs and the final executive action upon legislation sent to him after adoption by the two houses of the Legislature.

I recognize that the Legislature devoted substantial effort to the reduction of local property taxes by granting increased property tax relief and by significantly increasing financial aids to local schools. I share the legislators' concern for the mounting burden on local property taxpayers, particularly for the necessity to increase state financial assistance to local schools.

This bill will provide an increase of \$247.2 million in assistance to local units of government, an increase of \$3.9 million in property tax relief for the aged and \$50.4 million in real and personal property tax relief. It also recognizes that in the coming year there will be 990,000 Wisconsin children in public elementary and secondary schools, an increase of 36,000 over last year's enrollments. The costs of education for this increasing number of students places a tremendous burden on the state's taxpayers at the local

level. State assistance, through property tax relief and increased school aids, is essential and is provided in this budget bill.

However, the dilemma with which I was confronted in consideration of Senate Bill 95 is centered in the fact that it omits several programs which I regard as critical to meet certain state needs. It is seriously deficient in a few vital areas and attempts to establish certain policies which, in my view, are not in the best interest of the people of our State.

The questions I have had to resolve can be summarized as follows:

- 1. Should I preserve my personal and philosophical integrity by maintaining a clear separation of powers (executive versus legislative) by signing into law a bill which omits several programs of major importance to our State and its citizens? Or.
- 2. Should I exercise an extensive use of the executive veto power in order to thwart legislative intent and thereby impose upon the Legislature my judgment with regard to various programs?

Neither of these alternatives are wholly satisfactory. Instead, I have determined to pursue the following course of action:

- 1. I have signed Senate Bill 95 in order to maintain the continuity of operation of state government and prevent the continued loss of desperately needed tax revenues.
- 2. I have exercised the item veto to eliminate certain provisions which I believe to be administratively impractical, technically deficient, or contrary to the best interests of the State as a whole.
- 3. I have resisted the temptation to manipulate various appropriation provisions within the bill and thus thwart legislative intent, which presumably reflects the collective judgment of a majority of the elected representatives in the two houses of the Legislature.
- 4. Within the next few days, I will issue a call for a Special Session of the Legislature so that a full examination of certain essential state programs can be carried out, separate from the distractions of other legislative activities.

Despite my serious reservations concerning certain provisions of Senate Bill 95, I have concluded that it is neces-

sary to sign the bill while exercising the item veto over certain portions of it. The burden upon Wisconsin taxpayers can only be increased by further delay and the consequent additional loss of revenue. I regret also that my original revenue proposal was not accepted early this year, inasmuch as the sales tax rate increase imposed by this bill would not now be necessary.

Nevertheless, the realities of the present budgetary situation compel me to accept what is rather than what might have been.

I had assumed that my announced decision not to seek reelection to public office in 1970 would make it very evident to legislators of both parties that personal political advantage played no role in my budget/revenue recommendations. It is quite obvious, however, that Senate Bill 95 is a reflection of partisan considerations.

The Democratic legislators in the Assembly, because they saw political advantage in doing so, deserted the basic responsibility of elected representatives by refusing to participate constructively in the development and adoption of a responsible budget program. This was particularly evident in the refusal of Milwaukee area Democrats to fight for programs I recommended which were designed to assist urban areas. Some other legislators failed to recognize the statewide implications of various programs, choosing instead to view the budget/revenue proposals in terms of their regional constituencies.

As a consequence, several programs of vital concern to the residents of Wisconsin's urban areas were removed from the budget in its final form. In addition, state funds have been eliminated which would normally be used as matching money for federal programs, with the consequent loss of approximately \$17.5 million of federal funds.

Constructive action to revitalize programs directed toward the developing crisis in Wisconsin's urban areas is long overdue.

I believe these critical matters can be constructively resolved. Within the next few days, I will issue the formal call for a Special Session, and I will prepare and submit specific legislative proposals addressed to the problems which I believe have not received an adequate response in Senate Bill 95.

It is obvious, however, that no urban crisis program can be enacted without the active participation and support of the Democratic and Republican members of the Legislature. If Wisconsin's urban problems are to be resolved, it can be accomplished only with the cooperation of urban legislators, the vast majority of whom are members of the Democratic Party.

It is my intention to propose a specific program as the subject of a Special Session beginning on September 29. Immediate deliberation and action will permit the Special Session to reach a constructive conclusion prior to the scheduled resumption of the regular legislative session on October 8.

Because of the complexity and scope of this budget/revenue measure, it is impractical to attempt a narrative discussion of each provision which has been subjected to the executive line item veto. Instead, there is attached hereto a series of commentaries dealing with each item veto and which contain a full explanation of the reasons for my decisions.

For the reasons stated above and those contained in the extensive appendices which identify the specific items upon which I have exercised the item veto, I am returning Senate Bill 95 with my partial approval.

Respectfully submitted,

WARREN P. KNOWLES, Governor.

Senate Bill 95
Referred to calendar of October 7th.

MOTIONS

Upon motion of Senator Draheim, with unanimous consent, Assemblyman Sensenbrenner was made co-sponsor of Senate Bill 538.

Upon motion of Senator Kendziorski, with unanimous consent, the senate will adjourn in honor and in memory of Senator Frank Panzer, who passed away on August 26, 1969.

Upon motion of Senator Kendziorski the senate adjourned util Tuesday, September 2 at 2:00 P.M.

CHIEF CLERK'S CORRECTION

Suggested by Legislative Reference Bureau

Senate Bill 525

On page 45, line 7, substitute "The" for "the".

CHIEF CLERK'S REPORT

The chief clerk records:

Senate Bill 252,

Senate Bill 352,

Senate Bill 436.

Senate Bill 505 and

Senate Bill 544.

Correctly enrolled and presented to the Governor on Friday, August 29, 1969.