

STATE OF WISCONSIN
Senate Journal
Eighty-First Regular Session

THURSDAY, February 1, 1973.

10:00 A.M.

The senate met.

The senate was called to order by the president of the senate.

Prayer was offered by the Reverend Lawrence L. Gruman, Pastor of First Congregational Church of Madison.

The senate remained standing and the president of the senate led the senate in the pledge of allegiance to the flag of the United States of America.

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

Senators Bablitch, Bidwell, Chilsen, Devitt, Dorman, Flynn, Frank, Hollander, Johnson, Kasten, Keppler, Knowles, Knutson, LaFave, LaFollette, McKenna, Martin, Murphy, Parys, Peloquin, Risser, Roseleip, Schuele, Steinhilber, Swan J.D., Swan M., Theno, Thompson and Whittow -- 29.

Absent with leave -- None.

Absent -- Senators Kendziorski, Krueger, Lorge and Petri -- 4.

LEAVE OF ABSENCE

By request of Senator Steinhilber, with unanimous consent, Senator Petri was granted a leave of absence for the day's session.

By request of Senator Risser, with unanimous consent, Senator Kendziorski was granted a leave of absence for the balance of the day's session.

JOURNAL OF THE SENATE (February 1, 1973)

The president of the senate appointed Senators Keppler, Hollander, Dorman and Schuele to escort the Governor to the Assembly Chamber.

BILLS INTRODUCED

Read first time and referred:

Senate Bill 165

Relating to acquisition of lands for public access to waters.

By Senators J. D. Swan, Roseleip, LaFave, Martin, Theno and Murphy, cosponsored by Representatives Willkom, Wilcox and Byers.

To committee on Natural Resources.

Senate Bill 166

Relating to legislative scholarships.

By Senators Flynn and Risser.

To committee on Senate Organization.

COMMITTEE REPORTS

The committee on Agriculture and Rural Development reports and recommends:

Senate Joint Resolution 13

Memorializing congress and the president of the United States to continue the upper great lakes regional commission.

Adoption; Ayes, 5; Noes, 0.

WALTER JOHN CHILSEN

Chairman

JOURNAL OF THE SENATE (February 1, 1973)

The joint committee on Revisions, Repeals, and Uniform Laws reports and recommends:

Senate Bill 71

An act to renumber, amend, repeal and recreate and reenact various provisions of the statutes for the purpose of correcting errors, supplying omissions, clarifying language, correcting titles of departments and officers, correcting references, renumbering for better location and arrangement, eliminating unnecessary and obsolete provisions and reconciling conflicts. (Revisor's Correction Bill.)

Passage; Ayes, 5; Noes, 0.

Senate Bill 72

Relating to updating state income tax references to federal income tax law.

Passage; Ayes, 5; Noes, 0.

ROBERT P. KNOWLES

Senate Chairman

GERALD D. KLECZKA

Assembly Chairman

PETITIONS AND COMMUNICATIONS

Senate Petition 12

A petition by 48 constituents of the 16th District favoring Senate Bill 45, relating to 16-year-old maximum for compulsory school attendance.

Introduced by Senator Steinhilber.

Read and referred to committee on Health, Education and Welfare.

— — —
MESSAGE FROM THE ASSEMBLY

By Thomas S. Hanson, chief clerk.

Mr. President:

I am directed to inform you that the assembly has adopted and asks concurrence in:

Motions Under Joint Rule 26:

A joint certificate of commendation by Representatives Gibson and Roberts; cosponsored by Senator Knutson for ESTHER M. DOMKE on her retirement as county clerk of LaCrosse County;

A joint certificate of commendation by Representatives Gibson and Roberts; cosponsored by Senator Knutson for JULIAN JOHNSON on his retirement as county treasurer of LaCrosse County;

A joint certificate of condolence by the Entire Membership of the Assembly; cosponsored by Senators Lorge and Steinhilber for REPRESENTATIVE ERVIN CONRADT AND FAMILY on the occasion of Mrs. Conradt's death.

Assembly Joint Resolution 26

and

Concurred in:

Senate Joint Resolution 19

Senate Joint Resolution 20

MESSAGE FROM THE ASSEMBLY CONSIDERED

Motions Under Joint Rule 26:

A Joint Certificate of Commendation by Representatives Gibson and Roberts; cosponsored by Senator Knutson for ESTHER M. DOMKE on her retirement as county clerk of LaCrosse County:

A Joint Certificate of Commendation by Representatives Gibson and Roberts; cosponsored by Senator Knutson for JULIAN JOHNSON on his retirement as county treasurer of LaCrosse County:

A Joint Certificate of Condolence by the Entire Membership of the Assembly; cosponsored by Senators Lorge and Steinhilber for REPRESENTATIVE ERVIN CONRADT AND FAMILY on the occasion of Mrs. Conradt's death.

The above motions under Joint Rule 26 were read and adopted en masse.

Assembly Joint Resolution 26

Relating to the life and public service of President Harry S. Truman.

By request of Senator Roseleip, with unanimous consent, he was added as a co-author of **Assembly Joint Resolution 26** and it was considered for action at this time.

Read and concurred in by unanimous rising vote.

LEAVE OF ABSENCE

By request of Senator Johnson, with unanimous consent, Senator Lorge was granted a leave of absence until 11:30 A.M.

JOURNAL OF THE SENATE (February 1, 1973)

MOTIONS UNDER JOINT RULE 26

The State of Wisconsin * * * Citation by the Legislature

Know you by these presents:

Whereas, Mrs. Helen Thomson of Richland Center, wife of Representative Vernon Thomson passed away on January 27, 1973 in Arlington, Virginia; and

Whereas, Mrs. Thomson was a former first lady of the state from 1957 to 1958; and

Whereas, she was born in Viroqua and was a school teacher there, receiving her bachelor's degree in domestic science from the University of Wisconsin; and

Whereas, Helen Thomson was always an active participant in community affairs, including service with the Richland Center hospital and school boards, the county chapter of the American Cancer Society and the Madison Red Cross; and

Whereas, the legislature is deeply saddened to learn of the death of Mrs. Thomson and in recognition of her life and public service; now, therefore, The Members of the Wisconsin Legislature, on the motion of The Entire Membership of the Senate and Representatives Tregoning and Lewison, under Joint Rule 26, extend their sincere condolences to Representative Thomson and the family.

Read and adopted.

The State of Wisconsin * * * Citation by the Legislature

Know you by these presents:

Whereas, Daniel Farley of Chippewa Falls, Wisconsin, son of Mr. and Mrs. George Farley, has performed outstanding services to his community; and

Whereas, Mr. Farley, 15, volunteered his services to participate in a study of Dutch Elm disease and for two years conducted a personal clean-up campaign; and

Whereas, his public spirited activities are worthy of note and set a good example for others; now, therefore, The Members of the Wisconsin Legislature, on the motion of Senator Peloquin, under

JOURNAL OF THE SENATE (February 1, 1973)

Joint Rule 26, commend Dan Farley on his contribution to the community of Chippewa Falls and encourage others to follow his fine example.

Read and adopted.

CALENDAR OF JANUARY 30

Senate Bill 26

Relating to revising state life and property insurance and the state indemnity fund, granting rule-making authority and making appropriations.

The question was: adoption of senate amendment 3?

Senator Keppler in the chair.

10:22 A.M.

Senate amendment 3 adopted.

Senate amendment 4 to **Senate Bill 26** offered by Senator Parys.

Upon motion of Senator Johnson the senate recessed until 20 minutes after the governor's message.

10:27 A.M.

The senate proceeded in a body to the Assembly Chamber to meet in Joint Convention to receive the Governor's budget message.

IN ASSEMBLY CHAMBER

IN JOINT CONVENTION

The Lieutenant Governor in the chair.

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

In my State of the State message two weeks ago, I declared that together we would enact the "most fiscally responsible budget of our time." The 1973-75 executive budget I am submitting to the Legislature today meets that objective. It represents the most concerted effort ever made by the state to reduce the taxes of our citizens.

JOURNAL OF THE SENATE (February 1, 1973)

A quick glance at the territory covered by this budget will establish for you the significant signposts along the way: --It is a "no nonsense" budget, which requires the enactment of no additional state taxes.

--It is a budget which assures Wisconsin's hard-pressed taxpayers of nearly one-half billion dollars in new property tax relief, which is 3-1/2 times the record of any previous Legislature.

--It is a budget which provides enough property tax relief to insure a decrease in the gross statewide average property tax levy for the first time in thirty years.

--It is a budget which authorizes a net reduction of 375 state positions in the first year of the new biennium.

Finally, it is a budget which builds upon austerity policies initiated two years ago, when the state faced a quite different set of fiscal constraints from those of today. Then, as a result of national economic trends, state revenue growth was down one-third from normal; at the same time, skyrocketing inflation and the continuing demand for improved state services resulted in unprecedented pressures for new state expenditures. In response to those pressures, I made a commitment in the 1971-73 budget to major improvements in the efficiency, equity, and economy of public services. Together we were able to remove at least some of the burden of those services from the property tax, and to introduce more fairness into the tax structure, both between individuals of various incomes and local communities of differing wealth with varying needs. The 1973-75 state budget will dramatically accelerate these efforts towards more economical and effective governmental service.

In 1971, our tax system could be expected to yield less than \$1.9 billion in general purpose revenues over the next two years. Faced with agency requests in excess of \$2.2 billion, I had no choice but to call for an "austerity budget". The dramatic upsurge in the state's economy during recent months has allowed us to build up a \$138.5 million budget surplus as we enter the new biennium; coupled with 169.9 million in newly enacted federal revenue sharing funds, and normal revenue growth totaling \$573.0 million, this will make it possible for the State of Wisconsin to anticipate \$2.8 billion in revenues over the next biennium.

JOURNAL OF THE SENATE (February 1, 1973)

This improved fiscal position must not be the occasion for any wild spending sprees, however. We now have the fiscal capacity to revolutionize the structure of state and local finances -- but only if we once again enact an austerity budget into law. If we are to meet our obligation to the fiscally-pressed citizens of this state and assure the Wisconsin taxpayer of an historic one-half billion dollars in new tax relief, we must be willing to make the hard decisions which austerity requires -- decisions which are even tougher at a time when the cupboard is not bare.

In Part I of this message (Budget Overview: Responsive and Responsible Government), I will give the people of Wisconsin an accounting of how their money is used, and how government may be made more accountable in the future. In Part II (Policy Initiatives: Preserving and Protecting the Community and the Individual), I will discuss the major policy thrusts of this administration which are to be carried out through the budgetary process.

BUDGET OVERVIEW: RESPONSIVE AND RESPONSIBLE GOVERNMENT

Responsible budgeting depends upon political accountability, but cannot work properly if the budgetary process is at the mercy of antiquated laws and constitutional provisions. The four-year executive term has eliminated a major constraint on effective administrative control which inhibited earlier Wisconsin governors. Where their deliberations were of necessity confined to an all-too-hurried examination of the incremental increases requested by agencies, I have been able to influence the 1973-75 budget from its inception. The result has been a budgetary process unique in its scope and approach. In the past, budget decision-making began with an estimate of the funds available, and an attempt -- usually futile -- to fit expenditures within that total. Our approach has been just the opposite: to construct the tightest budget possible, without reference to the funds available.

Productivity

I began the budgetary process by issuing five statewide policy directives to agencies preparing their fiscal requests for 1973-75. These directives were meant to insure that the state's improving fiscal position would not be used as a justification for new hiring, or the perpetuation of existing inefficiencies. Agencies were asked to:

JOURNAL OF THE SENATE (February 1, 1973)

identify for review purposes programs representing 10% of their present budget which were of lowest priority; carefully evaluate current charges for special services provided by state government and consider initiation of user fees for some services now being delivered free; take all possible actions to maximize the use of federal funds; recognize that in view of declining populations in many of our institutions, a general building moratorium would exist, except for facilities which were absolutely necessary.

The impact of these policy directives may be seen throughout the 1973-75 state budget: In the Department of Industry Labor, and Human Relations, where new user fee arrangements will save the state \$4.2 million; in the Department of Health and Social Services, the Department of Agriculture, and the Department of Veterans' Affairs, where revised procedures will allow the state to fund over \$23.3 million in services currently supported by state tax dollars with federal monies; in a recommended state building program which has the lowest dollar cost of any in the past 14 years -- and in a savings of \$22 million for the biennium as a result of the closing of under utilized or outmoded state facilities.

Among the many specific initiatives which reflect these policies are:

--- A reduction in the level of state support for the cooperative meat inspection program (Department of Agriculture) after January 1, 1974, from the current 50 percent, to 20 percent, with the federal government picking up the rest of the cost and saving the state \$844,200 in the 1973-75 biennium.

--- The shifting of the Industrial Safety and Buildings program of occupational inspections (Department of Industry, Labor and Human Relations) onto a program revenue basis after January 1, 1974, for a net savings to the state of \$2.6 million.

--- The establishment of a levy on workmen's compensation insurance carriers (on the basis of benefits paid out) to cover the cost of state administration of this program (Department of Industry, Labor and Human Relations); the result will be a savings of \$1.6 million in General Purpose Revenues in the next biennium.

JOURNAL OF THE SENATE (February 1, 1973)

--- An expansion of medical eligibility for nursing care at the Grand Army Home in King, by bringing state standards in line with federal Medicaid guidelines; this will mean that an estimated \$565,900 in additional federal funds will be available in 1973-75.

More significant than any of these economies has been the impact of our fifth directive: the Wisconsin productivity policy. Agencies were asked to reduce their operational costs by 2-1/2 percent for each year of the next biennium -- or 7-1/2 percent in all -- to match the average productivity gain of service industries in the private sector. The intent of the policy was that state agencies be required to meet the same sort of productivity challenge faced by private enterprise -- a pressure to continuously revise and improve the methods of conducting public business. Responses to this policy directive have ranged from the savings of a few hundred dollars in mailing costs, to the savings of hundreds of thousands of dollars by altering existing administrative practices and making better use of technological tools such as computers and high-speed printing presses. The policy has introduced into the public sector a healthy concern about the nonproductive use of tax dollars that was long overdue. More importantly, without diminishing the quality of state services, it has already reduced the administrative costs of state agencies by approximately \$30 million.

By early fall of last year, the budget process had proceeded well enough for me to make a number of commitments--commitments in which many of you joined -- to the citizens of this state. We pledged a no-tax-increase budget, a one year freeze on the total number of positions authorized in the budget (and a limitation on the rate of growth thereafter to that of the private sector), and the provision of all federal revenue sharing dollars plus any general fund balances from this biennium for property tax relief. All of those commitments are more than carried out in the budget I am recommending to you today. Where we pledged no tax increase, there are in fact some reductions in state taxes. Where we pledged a freeze on positions, there is in fact a decrease in the number authorized. Where we pledged \$268 million in property tax relief, there is in fact almost one-half billion dollars in new property tax relief. To understand how this has been accomplished, it is necessary to review the state's basic budget.

The Basic Budget

In preparing my budget recommendations for 1973-75, I utilized the concept of a core or a basic budget. Simply stated, this concept takes existing state programs, reviews their current usefulness and relevance, and then asks what, if any, minimal increases are required to meet statutory mandates, inflationary demands, and urgent new state needs. Every dollar which is cut out of the basic budget is freed for return to the taxpayers in some form of tax relief. The difference between the \$268 million promised and the \$490.5 million in property tax relief provided is a measure of the degree to which our productivity policy and austerity directives have slowed the rate of increase of the basic budget of the State of Wisconsin.

During the 1960's the average biennial state budget increase was 31 percent, and in one case it went as high as 40.5 percent. For 1973-75, we have held the increase of the basic budget to 19 percent. The basic budget is \$2.3 billion, or \$379 million more than the previous biennium. Nearly 25% of these new expenditures will go for increases in the budget of the University of Wisconsin System and the Higher Educational Aids Board; in all, approximately 60% of the increase involves new educational expenses, including \$125 million in aids to elementary and secondary schools and vocational-technical schools which are required under existing formulas. The cost of a reasonable salary increase for state employees, the cost of new expenditures for all other state operations and state aids account for the rest of the increase in the basic budget.

The Fiscal Dividend

By controlling the expansion of the basic budget, we have freed 60% of available new revenues for use as a fiscal dividend. Our goal in distributing this dividend has been to maximize the amount of property tax relief for the hard-pressed taxpayers of Wisconsin, while at the same time maximizing the social and fiscal utility of these hard-earned dollars. It makes little sense to place tight constraints on the basic budget and then spend the monies saved in such a fashion that they lead to huge new recurring costs in subsequent biennia. Nor is it reasonable to commit hundreds of millions of dollars without regard to the new responsibilities and legal mandates which may be thrust upon the state in the next few

years. Finally it is ridiculous to talk about property tax relief unless we are willing to enact the fiscal restraints necessary to assure that that relief gets into the pockets of the taxpayers.

In the formulation of this budget, we have identified various ways to commit state resources in a nonrecurring fashion, to assure that the fiscal "windfall" from the current biennium does not turn out to be a "burden in disguise" for Wisconsin taxpayers in subsequent biennia.

While making certain that these dollars are used in a "once-and-for-all" fashion, our approach to the rest of Wisconsin's fiscal dividend has been to demand that revenues work overtime. They must be "double-duty dollars" meeting the primary goal of massive property tax relief, while at the same time serving significant policy ends, such as administrative reform and economy and greater tax equity. The advantages of "double-duty dollars" are obvious: they give the citizen two results for the price of one, make possible significant statewide economies of scale, and forestall hasty and fiscally disastrous mid-term responses to court decisions and federal actions. This is why of the record \$521 million in new tax relief I am proposing over \$380 million of the property tax relief dollars will be utilized in a fashion which produces significant secondary benefits as well.

Tax Relief

The property tax is perhaps the most venerable revenue source utilized by government. Its origins go back to feudal times. A century ago, when most wealth was in the form of real property, the extent of property ownership was a fairly accurate measure of the taxpayer's ability to pay. Today, however, when real property represents no more than one-third of the wealth of the nation, over-reliance on the property tax discriminates against those--such as elderly homeowners and farmers--who by force of circumstance have most of their wealth in this form. More than 70 percent of the revenues raised by local governments in Wisconsin come from the property tax. In fact, the property tax constitutes more than 40 percent of all state and local levies.

How often have you and I told campaign crowds that "the property tax was never intended to cover the modern costs of education and welfare. It ought to be used solely for the support of those governmental services that relate to property ownership-

JOURNAL OF THE SENATE (February 1, 1973)

rubbish pick-up, police and fire protection, and the administrative costs of local government." This year, we have the opportunity to offer the long-suffering property taxpayers of Wisconsin something more than campaign oratory. Together, in this session, we can take great strides toward alleviating the burden of educational and welfare costs on the property taxpayer.

Specifically, I am proposing that the level of state funding for local school districts be increased by \$349 million in the next biennium, to over \$1 billion--an increase in state support from 31% to 41%. Through this double-duty mechanism, \$274.4 million in new property tax relief would be provided the citizens of Wisconsin. State assumption of county health and welfare costs (with provision for a charge-back to counties of approximately 25%) will result in \$85.9 million of additional property tax relief. An income in state support for vocational, technical and adult education, paralleling that for elementary and secondary education, will bring \$12.4 million more.

Because all three of these relief items are related to major policy initiatives of this administration, I will address them at greater length in Part II of this message. They are not the only double-duty property tax relief measures through which the state will absorb local costs and achieve significant policy objectives. I am asking that the state pay municipalities for services which they currently provide to state facilities without reimbursement; this will give taxpayers in these municipalities \$6.5 million in new property tax relief. I am also recommending a uniform and liberalized aid in lieu of taxes for lands owned by the Department of Natural Resources--but because these payments are made from the Conservation Fund, they have not been included in our property tax relief total.

Of all the inequities built into our current property tax system, none is more inexcusable than the mismanagement of the assessment of property. We are requesting in this budget that the state take over the assessment of all manufacturing property, to assure uniformity and equity statewide. We are also recommending state certification of county assessors and state assumption of the costs of administering property tax district offices and one-half of the cost of the county assessor system. While these items represent significant tax reforms, they provide \$1.6 million in property tax relief as well.

JOURNAL OF THE SENATE (February 1, 1973)

In addition to all of these measures, I am requesting \$135.5 million in new direct property tax relief for the taxpayers of Wisconsin.

-- First, I am recommending an expanded homestead tax credit program which would extend the benefits of this relief to all low-income families, including 40% of the farm homesteads in Wisconsin. The income limitation would be increased from \$5,000 to \$7,000, the age restraint dropped, and the percentage of relief for both homeowners and tenants liberalized. Thirty-three million dollars in additional property tax relief would be provided through this mechanism--and that would go to the low-income families most in need of help.

-- Second, I am asking for a \$75 million supplement to the general property tax relief program--which already has a normal growth of approximately \$30 million each year from the shared tax fund. The result would be dramatic expansion of this form of across-the-board relief, which is meant to help all property owners, including individuals, corporations and utilities, many of whom do not benefit from other forms of direct relief. In the first year of the biennium, the relief would go up to approximately \$200 million, and in the second year, \$205 million.

-- Third, by raising the tax credit on manufacturers' materials and supplies, merchants' inventories and farmers' livestock from 65% to 70% in 1973-74 and 75% in 1974-75, we will be providing significant personal property tax relief, as well as improving the economic climate of the state for independent businessmen and farmers.

Finally, there are two important reductions in state administered taxes which belong in this discussion. I am recommending that the personal exemption credit on income taxes be raised from \$15 to \$20 for each taxpayer, spouse and dependent, and from \$20 to \$25 for citizens 65 years of age or older. This reform, which would take effect in calendar 1974, would raise the minimum income level at which a family of four pays an income tax from \$3,153 to \$3,717 and provide taxpayers with \$26 million in new relief. Tax reform also requires that this state's most regressive and discriminatory tax--that on oleomargarine--be repealed. It is hypocritical to exempt food from the four percent general sales tax and yet continue to apply this tax, which amounts to from ten percent to 31 percent of the price of purchase.

JOURNAL OF THE SENATE (February 1, 1973)

To summarize our tax relief measures briefly: There will be \$381.0 million in new property tax relief included in expenditure recommendations for the 1973-75 state budget. There will be \$140.3 million in new direct relief items. All in all, this amounts to \$521.3 million in new tax relief for the Wisconsin taxpayer in the 1973-75 state budget.

One of my principal concerns in channeling such a large amount of state revenues into tax relief measures is the need to assure that these funds do, in fact, relieve taxes and do not expand spending at the local level. For this reason, I believe it is necessary that we impose temporary constraints on the taxing capacity of local units of government.

-- For school districts I am recommending that we adopt the Educational Financing and Property Tax Reform Task Force's proposal that the per-pupil cost in 1973-74 not increase by more than 5%, and that for subsequent years we establish a state aid disincentive for excess cost increases.

-- For municipalities and counties, I am recommending a parallel approach, with levy increases limited to the statewide average increase in property values.

-- To assure that property tax reductions are passed on to renters, I am proposing a legal requirement to this effect for 1974, when the impact of the shift from property taxes to state revenues occurs.

One major concern regarding the moneys available for tax relief purposes, must be that some of these revenues are of a one-time nature. The general fund balance from the present biennium, and the federal revenue sharing collected prior to July 1 of this year, are revenues which we cannot count upon on a continuing basis. In preparing my recommendations to you, I have carefully built in protections against a revenue shortfall in 1975. Let me summarize these features.

In past budgets, it was often the practice to start up new programs in the second year of the biennium, thereby disguising full costs for future biennia. We have attempted to provide for the reverse situation: budget reductions which will be phased in, with the full biennial savings realized in subsequent budgets. The combination of a substantial increase of state school support in this budget and a projected stabilization of enrollments in the future

JOURNAL OF THE SENATE (February 1, 1973)

would mean only a modest increase in school aids in the 1975-77 biennium. This will be particularly true if we continue for a four-year period the goal of limiting property taxes for school purposes to 15 mills.

I have included two one-time expenditures in the budget to assist in the maintenance of our long-term fiscal balance. While the Building Commission has not as yet made its final recommendations concerning our curtailed building program, I am requesting that at any level up to \$42.2 million total expenditures this program be completely cash financed. This would mean that Wisconsin would have its first pay-as-you-go building program in two decades. Secondly, while I am proposing that a new method of financing the Veterans' Housing Program be pursued, I urge that the present approach be continued through the 1973 calendar year and that an emergency general fund loan of \$11 million be extended to the Veterans' Trust Fund for this purpose--with repayments scheduled primarily in the 1975-77 biennium. The bill to accomplish this supplement will be outside of the budget bill in order to ensure early enactment and prevent stoppage of this important program in the spring, when current funds expire and the building season begins.

Using all of the above methods, I believe we can assure long-term stability of state funding. However, I must point out that this budget assumes no decline in total federal support, and reflects the belief that this support, whether through categorical aids, general revenue sharing or special revenue sharing, will continue at approximately the current level for the next biennium and into the following biennium. If the balancing of the federal budget in the aftermath of the Vietnam War occurs not through long overdue reductions in military spending, but rather through reductions in social programs which have the effect of lessening the fiscal support for important functions administered by state and local governments, we may be forced to reassess some of the policies recommended in this budget.

Cabinet Accountability

The role of a governor in the state budgeting process has been described as that of a single individual, blindfolded, on top of a "huge mountain, which is constantly being pushed higher and higher by underground geologic convulsions...seeking to reduce the height of the mountain by dislodging pebbles with a teaspoon". Before the creation of the Department of Administration in 1959, the State Reorganization Act of 1967, and passage of the four-year executive term, this description might well have applied to Wisconsin. Today, much has changed. A governor doesn't go into the budgetary process blindfolded and he has some slight control over the size and timing of "underground geologic convulsions". It can be argued, however, that the blindfold has been replaced with an eye-patch and the teaspoon with a tablespoon, and that the governor is still limited in those pebbles which he is permitted to look under, much less dislodge.

I think this description is also applicable to you as legislators. A bureaucracy which is not responsive or responsible to one elected branch of government, cannot be held accountable by another.

Early in the deliberations of the Commission on Reorganization created by Governor Knowles, reference was made to the most fundamental principles of sound management: executive accountability. A working paper stated that: "Department heads should be appointed by and be accountable to the Governor, and serve at his pleasure." The magnitude of the reorganizational task at that time was such that efforts were concentrated on the primary goal of reducing eighty-odd independent agencies into some more workable -- and manageable -- number. The resulting reorganization was a major accomplishment. Unfortunately, many essential improvements had to be postponed in order to achieve this result. Both within and in conjunction with the 1973-75 state budget, I intend to continue the reform efforts which the Kellett Commission began, and give the people of Wisconsin cabinet-level accountability in all appropriate departments of state government.

In my State of the State Message I indicated that every state which has written a new constitution in the past decade has provided for a cabinet form of government. The virtues of political insulation for civil servants which were apparent in an age when elected officials were thought to be corrupt, are not so apparent today, when people find that they can easily vote a politician out of

JOURNAL OF THE SENATE (February 1, 1973)

office, but have a far harder time making bureaucrats responsive to their needs and accountable for their tax dollars. If today were 1848 and Wisconsinites were writing their first state constitution, I have no doubt that the vast majority of the people in this room, and the vast majority of the citizens of our state, would vote for a full cabinet form of government. But today is not 1848, and Wisconsin's existing governmental structure has evolved over the 125 years in between. No attempt to revise that structure now can take place without reference to the traditions and personalities involved. The question of organization must be handled in such a fashion as to assure that the goal--good government--is not obscured by talk of "power grabs" and the politics of personality.

The approach to cabinet government which I am recommending in a package of budget-related proposals reflects this concern. It is my belief that the secretaries of Agriculture, Veterans' Affairs, and Natural Resources, and the Executive Director of the Higher Educational Aids Board should serve at the pleasure of the governor and that the existing boards governing the Departments of Agriculture, Veterans' Affairs, and Natural Resources should be reconstituted as advisory citizen councils. I have specified that these reforms, if enacted, become effective as of January 1, 1975 (and in the case of Veterans' Affairs, when the current Secretary leaves his post) in the hope that in this way, we can address the question of effective executive accountability on its merits, without getting into partisan debates about who the particular beneficiary of that accountability will be.

As a separate bill, related to the budget, I will also support a reorganization of the Department of Industry, Labor and Human Relations, to abolish the current commission governing that agency and replace it with a secretary serving at the pleasure of the governor. In addition, the bill would re-establish the present commission as a quasi-judicial appeals body for the Department's regulatory functions; and mandate a number of other necessary organizational changes.

Another budget-related bill will deal with the reorganization of the Department of Regulation and Licensing. This bill would make the secretary serve at the pleasure of the governor, instead of the current six-year term; it would give the secretary additional

JOURNAL OF THE SENATE (February 1, 1973)

consumer protection powers in the areas of investigation and education; and it would mandate the placement of citizen representatives on all regulatory boards and commissions.

I have intentionally excluded all of these reorganizational proposals from my executive budget because they are significant issues which ought to be considered on their own merits. Their potential impact on state finances is such, however, that I believe that they must be reviewed by the Legislature along with the Budget Bill.

Two issues which I discussed in the State of the State Address that are intimately related to the principles of executive accountability are provision for an executive salary plan, and the initiation of steps to reorganize our court system. While most of my policy recommendations on judicial reform will be in separate legislation, there are two budgetary items of significance. I have requested a total of \$550,000 to fund administrative improvements suggested by the Citizens' Study Committee on Judicial Organization which would create greater responsibilities for the administrator of courts, and expand the scope of the Public Defender program. Secondly, I have provided for interim salary increases for county and circuit judges and Supreme Court justices, increases which generally follow the pattern recommended by the Citizens' Committee and compensate judges with cost-of-living adjustments similar to those granted other state employees since the last judicial salary improvement.

In this regard, it is surely time that the complete lack of uniformity in the setting of top level executive, legislative and judicial salaries be remedied. Some positions are quaranteed a salary review every two years; others may go long periods without review, with salaries more a reflection of political pressures than rational considerations. I have included in my budget recommendations a comprehensive executive salary plan that places all top level executive, legislative and judicial positions in a structure which relates their salaries to each other and to the state's basic salary plan for civil servants. I urge that we abandon the piecemenal approach to salaries and adopt a sensible plan which allows them to be determined with dignity and with recognition of the relative responsibilities of our key public officials.

JOURNAL OF THE SENATE (February 1, 1973)

There is one extremely important aspect of cabinet-level accountability which I have not included in this discussion. That concerns the Department of Health and Social Services, and is part of a major policy initiative to be carried out within the budget. As we turn to Part II of this address, it is with the reorganization of the Department of Health and Social Services that we must begin.

PART II: POLICY INITIATIVES: PRESERVING AND PROTECTING THE COMMUNITY AND THE INDIVIDUAL

Over nine out of every ten general purpose revenue dollars expended by the State of Wisconsin are spent on human resources and educational concerns. It is appropriate, therefore, that the two most significant policy thrusts of the 1973-75 budget deal with improving the efficiency, the equity, and the effectiveness of state service in these areas.

The Reform of Human Resource Services

The Reorganization Act of 1967 created the Department of Health and Social Services by combining the old Board of Health, Commission on aging and Department of Public Welfare. While the appeal of combination may have been a desire to simplify the structure of state services, the logic of the linkage of these particular units was clear and unassailable. They were all service-oriented organizations, run by professionals, concerned with helping people in need of specialized care and assistance. In many cases their clients -- the poor, the sick, the disabled -- overlapped. The promise of reorganization was better and more equitable service at a lower price, with the new department eliminating the duplication and fragmentation which had existed in the past, and realizing significant economies of scale. The new structure would also place state health and social service professionals in a more flexible position concerning new developments in their fields; they would not be locked into existing programs and facilities, and would have a wider range of alternatives available.

Unfortunately, the promise of the 1967 reorganization has not been realized. Units which were independent then continue to operate autonomously today. It is not uncommon to find two or three Health and Social Service divisions servicing one family, or purchasing the same services at a different cost, or unable to join together to meet the particular needs of particular individuals.

JOURNAL OF THE SENATE (February 1, 1973)

Currently, four separate state divisions and county agencies provide children's services; all compete for foster care and child caring resources. Each has its own diagnostic and evaluation and consultation services. Similarly, private groups seeking to provide services to the developmentally disabled must relate to three state divisions and two county agencies, each concerned more with its own policies and guidelines for funding services than in assuring the availability of services.

Fragmented efforts at the state level are more than matched at the local level. The administration of public assistance through 71 county welfare boards results in both inequitable and inefficient treatment. Administrative practices regarding eligibility, benefits and services vary among the counties, as do the costs of the public assistance burden. Furthermore, this cost has skyrocketed in recent years. From 1965-66 to 1972-73 the state share grew by 131.3%, while the county share went up by 213.1%. Therefore, the need to reorganize the delivery of these aids and services must include policy changes to reduce the property taxes that are now required to finance them.

The need for comprehensive reform may perhaps best be understood by reviewing a story that is tragically all too familiar: a father is sent to a state prison; his wife is forced to go on welfare; one or more of his children become disturbed or delinquent and require institutionalization. For each of these problems, the family is served by a different governmental unit, and different individuals. The cause and effect relationship between the family's problems is never explored. In this example, the failure of the state to develop an integrated social service strategy results in a net annual expenditure of between \$15,000 and \$30,000 on behalf of one family. Moreover, the efforts of competing officials to help the family may have only succeeded in creating new problems, and tearing the family apart. Contrast these results to a system in which the first contact with a state official reflects a broad awareness of the interrelated nature of family problems; a system in which there are community correctional alternatives which will allow a father to continue working and to remain in close contact with his home; a system in which disturbed children are treated in conjunction with their family and the problems of that family; a system in which the only alternative to starvation is not public assistance.

JOURNAL OF THE SENATE (February 1, 1973)

For three years, many of us were hopeful that the federal government would take the initiative in reforming our welfare and social service system, through the passage of a modified Family Assistance Plan. Instead, we have been given HR 1, a reform bill which contains few reforms. Although there would be many advantages to a coordinated federal-state effort in this area, we can no longer wait for the "other guys" to innovate. The state must act, and must lead. Let me briefly summarize the steps which I feel must be undertaken at this time, if we are to put our health and social services house in order.

---**Reorganization:** The budget bill directs the Department of Health and Social Services and the Department of Administration to present a reorganization plan by October 1, 1973, which regroups divisions in terms of functions rather than professional disciplines and integrates services at the state and local level; guidelines for the Department to use in planning this reorganization are specified. Because of the need for coordination between the Department and the Executive office during reorganization, the Department of Health and Social Services is to be made a cabinet agency, with the secretary serving at the pleasure of the governor.

---**Welfare Reform:** It is recommended that the Department of Health and Social Services assume the financing and the administration of public assistance, and other county social and mental health services, beginning January 1, 1974, charging back 25 percent of the non-federal program cost of these programs to the counties. Through this double-duty dollar mechanism, the state will provide \$85.9 million in new property tax relief to Wisconsin citizens. Statewide, this represents an immediate reduction by 51.7% of the estimated average county mill rate for these programs (from 2.9 mills to 1.4 mills). In addition, state control will: reduce present mill rate inequities among counties which are a result of differing welfare burdens; insure that once the remaining county tax effort is equalized, the mill rate among counties will not increase as a result of any cost increases in the welfare program; and assure that services are equally available for all communities.

State control will reduce the cost of administering public assistance by \$1 million annually. It will not only allow greater equity in the distribution of welfare benefits, but also the implementation of a series of reforms to clamp down on welfare costs and assure that only eligible clients receive services. Within

JOURNAL OF THE SENATE (February 1, 1973)

the frame work of a state administered welfare system, I am urging that we establish a flat grant plus shelter allowance procedure covering all public assistance recipients; that, beginning October 1, 1973, we fund AFDC recipients at 95 percent of the Bureau of Labor Statistics minimum budgetary standard; that we implement a mandatory statewide food-stamp program; that we issue medical assistance cards statewide for only a one-month period in order to minimize misuse of eligibility; that we develop a cost-control check issuance system which will eliminate all duplicate public assistance checks; and that we require applicants for public assistance to provide proof of their social security number. We can also improve the control of costs to the medical assistance program by further modifications to the nursing home reimbursement formula.

--Institutional Services: When the great epidemic of tuberculosis had run its course in America, few objected to the closing of county TB hospitals. It made little sense to operate institutions when there were not enough patients to fill them, particularly when alternative--and better--forms of treatment existed. Sadly, many other epidemics--such as crime and mental illness--have yet to run their course in this country.

In recent years, the ability of community and private agencies to offer top-notch child-caring services has measurably improved. Children who at one time had no better alternative than state institutional care now generally have a variety of living and learning situations available to them closer to home. The result has been a decline in the need for state institutional care. I am therefore recommending in this budget that the Wisconsin Child Center in Sparta be closed as of July 1, 1973. Phasing out this institution will result in a savings to the state of \$3.2 million. It is also necessary to recognize that some institutional facilities may be better equipped to deal with treatment needs than others. An excess of capacity at Mendota and Winnebago State hospitals at this time provides us with a unique opportunity to improve care for those currently confined to Central State Hospital and also achieve significant economics through consolidation of programs. I am recommending that Central State Hospital in Waupun be closed by January 1, 1974 and the patients transferred to other state and local facilities.

JOURNAL OF THE SENATE (February 1, 1973)

None of us has all the answers to the epidemic of crime, but there is apparently a growing consensus that institutional treatment is rarely the best approach. President Nixon has called our prisons "colleges of crime," and it is evident that judges are in agreement with this perspective. There has been a population decrease of 29.7% in the last 24 months in our adult correctional institutions and 32.1% in our juvenile schools. There are at present 1700 empty beds within our correctional system. While it might be good politics to ignore these trends, it would also be fiscal irresponsibility of the highest order.

By shifting institutional populations within our correctional system we can achieve significant savings without damaging either the security of our citizens or the well-being of our institutional population--and this can be accomplished without endangering the state's capacity to respond to a sudden upsurge in institutional commitments. It is for this reason that I am recommending that special legislation be passed authorizing immediate sale of the Adams County Institution for Youthful Offenders to the federal government for use as a federal prison, with either the Kettle Moraine Boys School or the Wisconsin Correctional Institution converted to handling the youthful offender program; and that the Wisconsin State Reformatory in Green Bay be closed by April 1, 1974, with all prisoners transferred to the Wisconsin State prison or other appropriate state facilities.

These institutional policies will result in a net savings to the state of \$11.3 million during the next biennium; and they will be coordinated with efforts to develop new, more effective treatment and correctional alternatives. For example, funds for probation and parole services have been increased by 49% in this budget. In addition, we are taking every action possible to aid those workers who will be affected by institutional closings. One hopeful sign is that I have been informed by federal officials that they will consider Wisconsin correctional personnel for jobs at the Adams County facility.

Equalizing Educational opportunities

In 1971, the Supreme Court of the State of California ruled in Serrano vs. Priest that educational quality in the public schools may not be a function of parents' or neighbors' wealth, that all school districts within the state must have an equal financial capacity to

JOURNAL OF THE SENATE (February 1, 1973)

provide necessary educational programs. The Court rejected the existing system of school financing, based on the local property tax, as unable to provide equal protection under the law. In the months since that decision, courts in a number of other states have followed California's lead, and appeals of these cases are now before the U.S. Supreme Court.

The possibility that the Serrano decision will become the law of the land in the near future provides us with a compelling practical reason for doing that which we ought to do anyway--reform our present system of financing elementary and secondary education in Wisconsin to provide greater assistance of equal educational opportunity for every state youth. We can make no better use of our property tax relief dollars than to act now to improve that system, rather than be caught later trying to raise the state funds necessary to respond to court ordered changes.

In my State of the State message, I praised the Educational Financing and Property Tax Reform Task Force for "offering an approach to school financing which meets the mandate of the Serrano decision to eliminate inequities in the per pupil tax base, without sacrificing the historic relationship of communities with their schools." That approach seeks to remedy the unfair features of the current system, rather than create a whole new system. Among these unfair features are: an over-reliance on the property tax for the financing of education which leads to unequal student support; limitations on the state's capacity to provide adequate, equalizing support to offset the impact of unequally distributed property wealth; arbitrary classifications with the state's general school aid formula which penalize certain school districts; state categorical grants to school districts which benefit richer districts more than poorer ones.

In this budget, I am asking that we use \$274.4 million of our fiscal dividend to eliminate the unfair features of our current system of educational finance, and assure the citizens of Wisconsin that these state revenues offset property taxes to the same extent. Specifically, I am recommending that a general school aid formula be established which reduces the statewide average mill rate for elementary and secondary education by 15 % to 15 mills; increases the proportion of state pick-up of local school costs from 31% to 41%; and provides fiscal-base-equalizing capable of insuring that all school districts have an equal capacity to provide high quality

educational programs. Under this approach, the per pupil valuation guaranteed by the state would be raised from \$52,000 to over \$70,000 per pupil for K-12 school districts; capital outlays, interest and principle payments would be included among aidable (i.e. subject to equalization) costs under the general school aid formula; existing support for teacher retirement, social security payments and categorical aids for social workers and psychologists - - aids which tend to unduly benefit wealthier districts -- would also become aidable costs; basic aids, flat aids and existing practices which discriminate against union high schools and K-8 districts in the distribution of aids would be eliminated, and all districts supported on a nondiscriminatory basis.

To assure that the net effect of increased state aids for local school districts is \$274.4 million in property tax relief to the citizens of Wisconsin -- and not a drastic increase in school expenditures -- I am asking that a one-year spending control be written into law, which would permit no school district to increase its per pupil budget by more than 5% of the 1972-73 statewide average per pupil expenditure. For subsequent years, districts spending at a level above 107% of the prior year's state average expenditure per pupil would face a strong fiscal restraint -- reduction in their guaranteed valuation. These controls should provide immediate protection for school aid dollars intended for property tax relief; more importantly, they should encourage lower spending districts to do more and higher spending districts to spend less, thereby furthering the over-riding policy goal of equalization.

Fiscal reforms are not the only changes which are required to assure equal educational opportunity. Inequities of service resulting from poorly organized or inefficient districting arrangements, or the unwillingness of districts to mandate essential educational services, cannot be allowed to continue, if we are truly serious about providing every Wisconsin student with a quality education. I am requesting that our state's few remaining union high school and elementary school districts be required by statute to be reorganized into K-12 Districts by July 1, 1975, and that the Department of Public Instruction explore new mechanisms of achieving further school district reorganization to provide more uniform and economical districting arrangements.

JOURNAL OF THE SENATE (February 1, 1973)

I am also asking that our state's present educational standards, which were formulated in 1949, be updated to reflect the educational needs of students and society in the 1970's and 1980's. For instance, it is time that Wisconsin required that all districts operate or contract for a five-year-old kindergarten program and provide remedial reading services for all children who require them through grade three. Finally, to improve the over all administration of educational programs in Wisconsin, I am submitting a reorganization plan for the Department--as suggested by the State Superintendent of Public Instruction. This plan would place the superintendent's position under a newly created, policy-making State Board of Elementary and Secondary Education, consistent with the recommendations of the Kellett Commission on Education.

Nothing could be more foolish than to introduce major reforms into one facet of our educational system, and continue to perpetuate inequalities in other branches of that system. For this reason, I am recommending that in 1974-75, the state aid formula for vocational, technical and adult education be revised to reflect equalized property tax support throughout the state. I will also direct the State Board to review relevant recommendations of the Governor's Task Force on Educational Financing and Property Tax Reform and make further improvements in the vocational aid formula in time for presentation in the Annual Review Bill next January. In addition, I propose that the aidable cost formula be made far more exclusive. This reform will result in \$12.4 million of new property tax relief, and will be part of \$50.1 million in new state aids to the vocational-technical system in 1973-75.

There are many important program changes in the 1973-75 state budget in addition to the two major policy initiatives and the cost-cutting measures which were referred to earlier. Without going into programs in detail, I would like to highlight a few of these initiatives for you; the balances are covered in the Budget-in-Brief, which is available today.

--An annual \$300 across-the-board equity salary adjustment for University of Wisconsin System faculty plus a 3.8% annual merit increase; significant improvements in fringe benefits for faculties and graduate assistants, consistent with the 5.5% federal guideline.

JOURNAL OF THE SENATE (February 1, 1973)

--Initiation of a \$1 million teaching incentive program for UW faculty.

--A \$1 million allocation to be used in the first year of the biennium in those institutions suffering significant enrollment reduction to allow a more reasonable transition to lower levels of faculty staffing.

--A \$3.5 million increase in support for minorities and disadvantaged aids and programs.

--Additional funding for the development of the open university concept and improved coordination with the efforts of other agencies; reinvestments of a portion of the University's productivity saving in new equipment and instruction.

--The transference of the Wisconsin Higher Education Grants Program to the Higher Educational Aids Board, to facilitate the creation of a comprehensive grant program in that agency; the provision of \$5.1 million in new grant funds to be included in the combined program.

--A substantial increase in the appropriation on behalf of the four educational television stations previously authorized to form an educational TV network.

--Introduction of a statutory mechanism allowing partial support of Wisconsin residents enrolled as full-time students in the Dental Education Program at Marquette University, and the appropriation of \$2.667 million to fund that support.

--A Request of \$4,950 annual support for full-time students at the Medical College of Wisconsin, or a total of \$4,495,000.

--Creation of a state-funded statutory agency to coordinate programs in the arts and the humanities, the first such agency in Wisconsin History.

--Approval of the Department of Natural Resources proposed increased in hunting and fishing user fees to cover costs that have occurred since these fees were last adjusted a decade ago.

JOURNAL OF THE SENATE (February 1, 1973)

-- An increase of almost \$15 million in the level of support for DNR's Division of Environmental Protection, including a \$1,170,000 expansion in our air pollution program to provide for effective enforcement; and a \$250,000 state pickup of costs for Milwaukee County's outstanding air pollution abatement program.

--The establishment of a single Transportation Fund, to replace the Highway fund and incorporate all state transportation revenues, regardless of source, for allocation in the biennial budget process.

--A freeze on highway mileage and supplemental aids to localities at 1972-73 estimated levels, and the use of the monies saved to upgrade the state's "bread-and-butter" roads.

--An increase in General Purpose Revenue expenditures of \$451,000 to support the narcotics investigation program in the Department of Justice.

--An increase in GPR expenditures of \$1.9 million to support the work of the Criminal Information Bureau.

--A proposal for a new Veterans' Housing Loan Program utilizing interest subsidies and not requiring the direct investment of state funds.

--Establishment of a European office of the Department of Business Development to encourage industrial expansion by foreign firms in Wisconsin; and initiation of a program planning staff capability within that department.

--An expansion of the dairy and food section activities in the Department of Agriculture to improve the surveillance of sanitary and other inspections.

--Continued funding of the Council on Consumer Affairs at the level of \$100,000 for the biennium.

--Staffing for the Governor's Commission on the Status of Women.

--Creation of a program and policy analysis capability within the Department of Local Affairs and Development and an increase of \$256,000 regional planning aids.

JOURNAL OF THE SENATE (February 1, 1973)

Fiscal Summary

In This budget I have divided executive financial plans into two major subgroups. The first was new tax relief initiatives, totalling \$521.3 million of general purpose revenues, which includes \$381.0 million of actual expenditures for state aids to pick up school and local costs, and \$140.3 million direct tax reductions or credits which reduce otherwise available general purpose revenues. The second major division was identified as the basic budget of \$2,327.5 million, and includes the cost of all state government operations, local assistance and aids to individuals which are not directly related to new tax relief initiatives.

To arrive at the net state expenditures, we must combine the basic budget of \$2,327.5 million and the \$381.0 million of appropriations for additional aids to offset property taxes. This figure, then, must be adjusted to include the state expenditure of \$78.9 million for the remaining portion of welfare costs which ultimately is charged back to the counties.

The projected state expenditures for the 1973-75 biennium total \$2,759.8 million:

Basic budget.....	\$ 2,327.5 million
Tax Relief (expenditure budget only).....	381.0
County Welfare Cost Adjustment.....	78.5
Lapsed Balances.....	-27.2
	<hr/>
	\$ 2,759.8

In terms of a fiscal summary, the single most significant fact about this budget is the distribution of the increase between state operations, local assistance and aids to individuals. State operations increase in total by only \$176.3 million or 20%. On the other hand local assistance increases by \$561.1 million or 60%, and aids to individuals increase by \$101.0 million or 72%

I have attempted in this budget to provide unprecedented property tax relief, improve the productivity and efficiency of services for the public, and increase the responsiveness and

JOURNAL OF THE SENATE (February 1, 1973)

accountability of government. I have sought a balanced approach to property tax relief which assures both greater tax equity and significant social benefits. I have asked for major organizational reforms which will make government work better and more economically, and assure long-term fiscal stability for the state.

You, as legislators, and I, as chief executive, have a mutual responsibility to approve a state budget which responds to the most urgent demands of the people of Wisconsin. I believe that the austere budget I have recommended today meets that objective. That does not mean, however, that more cannot be done. What is required is that you join me on top of the state's budgetary mountain. Together, our teaspoons can make a shovel, and the pebbles we move, a boulder. Together, we can conquer the mountain.

12:10 P.M.

The senate reconvened.

President of the senate in the chair.

By request of Senator Hollander, with unanimous consent, the senate returned to the third and fourth orders of business.

BILLS INTRODUCED

Read first time and referred:

Senate Bill 167

Relating to 100% state reimbursement of personal property tax assessments.

By Senators Hollander, LaFave, Lorge, Devitt, Martin, Chilsen, Thompson, McKenna, Roseleip, Theno, Murphy, Peloquin, Johnson, Steinhilber, Parys, Knutson, Knowles, Whittow, Kasten, J. D. Swan, Bidwell and Keppler, cosponsored by Representatives Wilcox, Lewison, Lewis, Thompson, Byers, Luckhardt, Schricker, McEssy, Alberts, Bradley, Mittness, Sensenbrenner, Giese, Bruhy, O'Malley, Shabaz, Niebler, Pabst, Cyrak, Wahner, Wackett, Tregoning, Olson, Conradt, Schroeder, Klicka, Mohn, Roberts and Quackenbush, by request of Wisconsin Farm Bureau Federation.

JOURNAL OF THE SENATE (February 1, 1973)

Metropolitan Milwaukee Association of Commerce, Wisconsin State Chamber of Commerce, Wisconsin Merchant Federation, and Wisconsin Manufacturers Association.

To joint committee on Finance.

Senate Bill 168

Relating to enlargement of the permissible lending area for savings and loan associations.

By Senators Devitt and McKenna, by request of Wisconsin Savings and Loan League.

To committee on Industry, Labor, Taxation and Banking.

President pro tempore in the chair.

12:25 P.M.

LEAVE OF ABSENCE

By request of Senator Schuele, with unanimous consent, he was granted a leave of absence for the balance of the day's session.

Upon motion of Senator Johnson the senate adjourned until 9:00 A.M., Friday, February 2.

12:35 P.M.

INTRODUCTION OF GUESTS

Senator Schuele introduced Mr. R. D. Fredrickson, District Manager of Autopoint, a division of the Gillette Company from Rockford, Illinois, who was instrumental in presenting a pen to each member of the senate and their staff.