STATE OF WISCONSIN

Senate Journal

Eighty-Second Regular Session

TUESDAY, January 28, 1975.

10:00 A.M.

The senate met.

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

Prayer was offered by Father Daryl Furlong, Associate Pastor of Our Lady Queen of Peace Catholic Church, Madison.

God, our Father, as we enter into our program and ensuing discussion this morning, may we do so with open minds and an acute awareness of our role and of our responsibility in helping solve the dilemmas facing our nation and our state. Provide us, Lord, with insights which will guide our proper approach in solving our own particular problems and which will serve. Grant us vision, tolerance, and diplomacy as we chart a course in these unpredictable and frustrating times. May we not be just one more group clamoring for special privileges and consideration for our state, but rather a rational, resourceful, compassionate body whose goal shall be the good of our state, but also a just and honorable solution for our participation in the welfare of our nation and of the world, and whose performance will merit your approval, you who live and reign forever and ever. Amen.

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

Senators Bablitch, Berger, Bidwell, Chilsen, Cullen, Devitt, Dorman, Flynn, Goyke, Harnisch, Hollander, Keppler, Kleczka, Knowles, Knutson, Krueger, LaFave, Lorge, McKenna, Martin, Morrison, Murphy, Parys, Peloquin, Petri, Risser, Swan, Theno, Thompson and Whittow -- 30.

Absent -- None.

Absent with leave -- Senator Frank -- 1.

By request of Senator Whittow, with unanimous consent, the chair was directed to appoint an escort to await upon the Governor.

The chair appointed Senators Bablitch, Chilsen, Dorman and Hollander to await upon the Governor.

LEAVE OF ABSENCE

By request of Senator Knowles, with unanimous consent, he was granted a leave of absence for Thursday, January 30.

Upon motion of Senator Whittow the senate recessed until 11:15 A.M.

10:07 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 president pro tempore of the senate in the chair.

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

Two years ago, I stood before this Legislature and urged enactment of a no-tax increase budget for the State of Wisconsin, a budget which represented "the most concerted effort ever made by the state to reduce the taxes of our citizens."

Much has changed since then — from the men who sit in the highest offices in the land, to the price each of us pays for such basic goods as sugar and gasoline. We have fallen victim to economic phenomena for which we did not even have a name two years ago.

But with all the change and uncertainty in our lives, some things remain as clear as ever.

If, two years ago, we made an unprecedented commitment to holding down state and local taxes in Wisconsin — because we could afford to — now, in a time of daily deepening recession, we cannot afford not to.

The budget which I am submitting to you today is a no-tax increase budget — for both state government and local government.

It is a budget which provides full 40% state funding of local school costs.

It is a budget which does not rob Peter to make Paul look good — a budget which does not retreat from our commitments to local property tax relief and assistance, as a way of artificially reducing state costs; but instead, provides nearly one-half billion dollars of additional state support.

It is a responsible budget for a difficult time — a budget built upon principles of austerity, accountability, and equity in the sharing of both benefits and burdens.

It is a responsible budget, but not an easy one; a budget that is necessary, but also one that hurts.

As the budgetary debate now proceeds, it is imperative that everyone clearly understands where we begin — what we have given up, why we have done it, and what we have gained.

This year, the budget gap was real.

This year, the hard choices were too frequently just that — not a simple judgment between cutting out government waste and raising taxes, but painful choices between particular jobs, purposes and programs and the abstract goal of avoiding a tax increase.

But as each of us knows, avoiding a tax increase is much more than just an abstract goal.

High taxes are a concrete fact of life for every citizen of this state. They are an important part of our cost of living.

We pay more, and we get more. But in an economy which combines the worst effects of both inflation and recession, we can afford less.

Two years ago, a loaf of bread cost the average Wisconsin consumer 41¢. Today it costs him 62¢.

Since my last budget message, the price of heating oil in this state has doubled.

And the average household budget, as measured by the consumer price index, has risen 22%.

In my Inaugural Message, I said that we cannot ask of others what we do not first require of ourselves.

In this budget, state operations appropriations for next year are actually lower than in the current fiscal year.

We have required of state agencies something which few, if any, of us have been able to achieve in our own homes — that they "absorb" the burden of inflation (i.e. that they receive no new money to compensate for more than \$50 million worth of inflationary cost increases).

We have made these demands out of a concern for fairness:

- —the knowledge that no group, whether welfare mothers, public employees, students or business leaders, can expect state government to make up over the next biennium all of the damage done by inflation and recession;
- —the belief that state agencies cannot function on a businessas-usual basis while everywhere else unemployment lines double and triple in length;
- —the conviction that those who most depend upon the services state government provides would be the most victimized by a retreat in our commitment to local assistance and property tax relief.

But we have also acted out of a concern for what we do not yet know.

Were the economy to dramatically recover over the next six months, the budget cuts we are now requesting might be viewed as unnecessarily severe, or an overreaction on our part.

With all my heart, I hope that this will be the case.

Unfortunately, it now appears far more likely that even these painful cuts — cuts without precedent since the Depression — may not be enough.

The Economic Outlook

Every budget is built upon assumptions about expected revenues and expenditures. For state government, it is no different.

One year ago, in arguing that Wisconsin should add to the money in its "cookie jar," I cited the prediction of "pessimistic" economists that unemployment nationally might go as high as 6% in 1974; and referred to a survey of 25 leading economists, in which

the *lowest* estimate of real growth in the gross national product for 1974 was -1.5%.

Now we know that even the pessimists were optimists.

At year end, unemployment in America was at 7.1%. And real growth in GNP for 1974 was -2.2% — the largest drop in national output at any time since the post war reconversion year of 1946.

The state budget I present to you today uses revenue projections made last November. Those projections were based upon:

- -an assumed -.3% real growth in GNP over 1975;
- —a 6.5% national unemployment average over 1975, with Wisconsin's average at 5.6%.

These assumptions, which seemed reasonable just three months ago, now look dangerously optimistic.

For 1975, the average real growth projection by Business Week's panel of economists is -1.2% — a figure four times lower than what we have assumed. The average rate of national unemployment projected is 7.3%, a figure significantly higher than what we have assumed.

Unemployment in Wisconsin has already surpassed 6%.

If this trend continues — if what the national economists predict is correct — our revenue estimate for 1975-77 could well prove to be many millions of dollars too high.

The Federal Ecomonic Role

An additional factor contributing to our budgetary dilemma is uncertainty as to the economic role which the federal government will be assuming in future months.

Because of the partial federalization of our state income tax system, a federal tax cut may produce a significant decline in state tax revenues; or if it has the desired impact on the economy, it may lead — eventually — to an improved fiscal situation.

A federal energy policy such as the President has recently proposed — which picks \$50 billion from the pockets of the American people — may come disproportionately at our expense, and the expense of every energy consumer in a cold climate.

On the other hand, a federal energy policy which targets that proportion of energy demand which is elastic, could prove both an

effective inflation fighter, and a provider of revenues needed to get our economy moving again.

A federal budget strategy which seeks to combat recession with a \$45 billion budget deficit — and combat inflation through a series of program "recisions and deferrals" — could end up doing neither.

Instead, it may just mean new costs transferred to state government. But of course we do not have the option of printing money or introducing an unbalanced budget.

There is one other federal budgetary question to which we must pay close attention over the next few months — the fate of general revenue-sharing (which is scheduled to end in the second year of the biennium).

In the short time this program has been in existence, it has become an essential element in the financing of state and local government in Wisconsin and throughout the nation — and it must be preserved.

BUDGET OVERVIEW

Revenues:

We begin the biennium with an estimated state surplus of \$79.2 million, \$16.6 million less than was projected in November.

More than offsetting this loss, over the course of the biennium we now expect \$50 million more in departmental program revenue receipts.

By moderating the rate of growth of state personal property tax relief over the next biennium and moving toward what is, in effect, a sum certain — we will free \$46.9 million of additional general purpose revenues.

By retroactively bonding the building program from the current biennium, we can recoup 47.1 million additional dollars.

Together, the impact of these steps (and a number of minor adjustments I am recommending) is to raise the total amount of money available for GPR expenditures over the next biennium to an estimated \$3.261 billion.

Of this, I am asking that \$96.3 million be set aside to cover the cost of:

- —all increases in state employee compensation and retirement benefits;
- —all unanticipated expenses or revenue-reductions resulting from federal actions or a further worsening of the national economy;
- -all new legislation passed in the next two years.

Measured against our needs and the contingencies we face, we cannot absolutely guarantee that this sum will be sufficient.

In consideration of that possibility, I have asked the Department of Revenue to explore various tax reform alternatives — alternatives which could be justified on the grounds of equity and would generate additional revenue without the necessity of increasing the rate of any state-administered general tax.

Ultimately, however, I believe that the most desirable goal is also the most equitable — a no-tax increase budget for the State of Wisconsin — and I am hopeful that there need be no retreat from that goal in 1975-77.

Expenditures:

The budget expenditures I am proposing today may be summarized in one simple sentence. Every new dollar which is appropriated in this budget will be spent either in the form of increased local assistance, or increased aids to individuals and organizations.

State operations appropriations are budgeted at a level almost \$9 million less than in the current biennium.

Right now, the cost of state operations makes up 38% of the GPR budget. Less than a decade ago, it was 58%.

For 1975-77, I am proposing a budget in which this figure is reduced to 32%.

Think of that — over the next two years less than one-third of state general purpose revenues will be used for running the University System and every other agency of state government!

And if we included shared taxes and direct property tax relief in our budget computations, this figure would shrink even further — down to 22% of all the general revenue collected by the State of Wisconsin.

Where local assistance represents 51% of our current GPR budget, the addition of \$319.1 million in new appropriations will bring this figure up to 54% for 1975-77.

Where aids to individuals and organizations currently make up 11% of GPR expenditures, the addition of \$123.5 million more will bring this figure up to 14% for 1975-77.

These sums and percentages provide a framework for understanding the budget I present to you today, but they do not explain how we got there, the hundreds of individual decisions we made, and the broad guidelines and strategies we used in making them.

Last spring, we proposed an innovative concept of "target budgeting", in which state agencies were required to match their spending requests with targets established by the Department of Administration, and to prioritize all new spending proposals. In general, the agencies made a serious and constructive attempt to comply with this policy.

But by late fall, it was apparent that our state operations targets were too optimistic.

In the deteriorating national economy, not only were revenue projections down, but cost projections for meeting our local assistance, welfare and medicaid commitments, were inflating daily.

So we went back to agency budgets, this time starting with the base year, 1974-75, and asking how budgets could be reduced below that figure without diminishing essential services.

The decision to demand a difficult and strenuous level of austerity from state agencies was not made in a vacuum.

It was clear that, at least in some activities, state government had overextended itself, and that this was the biennium in which to restore the emphasis on quality rather than quantity in state services.

It was also clear, however, that we could not ask state agencies and state employees to absorb this level of cuts, while ignoring what was happening to the funds we were sending to other levels of government.

Austerity is painful. But it is far less painful when you know that it is accompanied by tight accountability — and fairness in its administration.

The overriding goal of the budget I am submitting to you today is to minimize the impact of our current economic plight on those most hurt by recession and inflation.

Our strategy for achieving this goal begins with government austerity and accountability, but it depends most of all upon how well — how equitably — we have been able to distribute the benefits and burdens of our actions.

I believe that the executive budget is the fundamental policy document of any administration. It is therefore important that the many major and minor policy judgments involved do not become obscured — but rather, receive the debate which they deserve.

Both in this message, and subsequently, it will be my goal to help clarify each of those points.

Behind all of our budget decisions was the hope — and the assumption — that careful pruning makes for a healthier growth. But our review — our pruning — was limited by the timing of the budget process.

Now we look to you to refine and improve upon our proposals, over the course of the next five months.

At the outset, you should understand that this year we have only five months.

Passage of the budget early — before July 1st — will give agencies the lead time they need to implement institutional closings in the most responsible fashion possible.

More importantly, it will mean significant savings to Wisconsin taxpayers.

Because of the level of cuts which are part of this budget, operating on a "cost to continue" basis for the first few months of the next biennium would mean the expenditure of more state dollars — not less (as is usually the case).

AUSTERITY

The broad outline of the austerity measures we have taken in the 1975-77 state budget should already be apparent. Now let me give you some specifics:

The GPR budget appropriation for the University of Wisconsin System in the 1975-76 fiscal year will be \$2 million less than what is budgeted in the current fiscal year. The University will be expected to absorb \$23 million in inflationary cost increases over the next biennium and accommodate new students within existing funding levels.

—The budget appropriation for the state operations portion of the Department of Health and Social Services budget in the 1975-76 fiscal year will be 14% less than the current fiscal year. Over the course of the biennium, the Wisconsin Child Center, the Winnebago Mental Health Institute, and the State School for Girls will all be closed.

—In the Departments of Agriculture and Local Affairs and Development, in HEAB and the VTAE Board, the story is the same — budget appropriations for state operations in the next fiscal year are lower than for the current fiscal year.

—Agencies which depend upon segregated funds have been held to the same austerity standard as all others. In the case of the Department of Natural Resources, this has meant a reduction of 46 management and supervisory personnel; in the case of the Department of Transportation, 104 positions, and a \$2.5 million savings.

The most difficult aspect of austerity is the personnel reductions which must inevitably follow. No matter how eager an elected official may be to reduce the public payroll in a time of prosperity, in a time of recession, he can derive little satisfaction from this effort.

One month ago, I issued a directive to state agencies urging them not to fill vacant positions (in the belief that the easiest way to avoid the pain of lay-offs is to avoid new hirings).

As much as is humanly possible, we will attempt to accommodate whatever personnel reductions are required by this budget through attrition, through the normal processes of resignation and retirement, and through efforts to place employees elsewhere in the public and private sector.

ACCOUNTABILITY

In my State of the State message, I dwelt on the concept of cabinet government, as the key to improving the accountability of state agencies to the voting public.

But the concept of public accountability is much broader than this — as may be illustrated by a number of major policy issues which are part of this budget.

School Cost Control

For 1975-77, we are recommending a 20% increase in total state aids to local schools. In a time of declining enrollments statewide, \$200 million of additional state funds — or almost \$1.2 billion in all — will be spent to maintain the state's commitment to assuming 40% of local school costs.

I believe that we in state government owe it to the taxpayers of Wisconsin to assure a comparable standard of accountability for these funds as for all the monies we spend directly at the state level.

Accordingly, I am recommending that a state cost control be established for local school districts over the next two years, to limit new expenditures to a reasonable inflationary adjustment (9% the first year, 7% the second — related to student enrollment levels).

Districts could appeal special circumstances to the State Superintendent, and would have the option of a referendum if they sought to spend at a higher rate. Costs resulting from the implementation of Chapter 89 would be exempted from the control.

Local Levy Limit

Reform of state aid or shared tax distributions should not lead to circumstances of "windfall spending" at the local level, particularly in a difficult economic period such as the present.

The same arguments of equity and accountability which can be made for school cost controls apply to controls on county and municipal property tax increases.

The approach to this goal which I am recommending — the establishment of local levy limits — would be both flexible and effective. These limits would take into account population growth, and (indirectly) some inflationary growth, while having the effect of stabilizing tax rates throughout the state.

And — as in the case of the school cost control — provision would be made for a local referendum in instances where a rate increase is requested.

Sum Certains

In this budget, wherever feasible, I have converted state programs from a sum sufficient to a sum certain — to insure more effective cost control.

In the interest of consistency and sound public policy, I have refrained from requesting a sum sufficient for executive office staffing, and I am hopeful that in this biennium you will choose to place the staffing of the legislative and judicial branches of government on as equally a firm, sum certain footing.

Health and Social Services Reorganization

No agency of state government is more in need or reorganization than the mammoth Department of Health and Social Services. Two years ago, I proposed such a change in my executive budget. Instead, a select committee was established by the Legislature, to comprehensively study the question.

Today, I am pleased to endorse the work of that committee, and the fine reorganization proposal which has been developed.

The lack of accountability and effective management capability inherent in the Department's current structure may be measured both in the many documented examples of duplication, fragmentation and waste in the delivery of services, and in the number of legislative and gubernatorial mandates over the past two years to which there has been little visible response.

I believe that the problems of the Department may be traced back to its creation eight years ago — when services and structures which should have been integrated once and for all were allowed to continue on their independent course.

And the incredible escalation of demands made upon this agency since then has compounded these structural problems.

Over the past eight years, the total budget administered by the Department of Health and Social Services has more than tripled (to a recommended \$2 billion in 1975-77, including federal funds).

The size of that increase alone, should be reason enough for concern on our part that the organization of the Department of Health and Social Services be as efficient and accountable as we can possibly make it in 1975-77.

UW System Consolidation

In no area of public concern is the question of accountability more delicate than in the administration of our great University System.

As public officials, we are well aware of the dangers of political interference in educational decisions. As elected officials, we know too our responsibility to the taxpayers of Wisconsin.

When we consider the fact that the freshman class of 1992 has already been born, the idea of accurately predicting the average college population a decade or two in the future appears relatively simple. Yet in the 1950's and 1960's, this was apparently not the case in Wisconsin.

As a result, we rapidly expanded our university system — just in time for a serious decline in projected enrollments over the next two decades.

The situation we face today is similar to the one which brought the following expression from Governor Philip Lafollette in his budget message in 1931:

"Public office implies serious responsibilities. It demands, among other things, an endeavor to walk not by faith, but by sight. Charged with the duty of examining budget estimates, it becomes necessary for the Executive to pass judgment upon the existing educational program. Moreover, an examination into the whole educational situation in Wisconsin is overdue, and cannot, in any event, be put off much longer. In its most desirable form, this examination can only be made by those in positions of educational leadership, those who know educational conditions and aims from the outside. It should be their privilege to undertake it. Only if they refuse or fail the opportunity, must the necessity be faced of turning to less experienced outsiders...

"There will be temptation to dodge realities and to rest satisfied with a solution by discussion, or by an uncritical retrenchment by some crude form of longdivision cutting of everybody and everything, or by attempting to pass on the decrease by increasing fees, or securing aid from other sources. Any such superficial or mechanical response to the challenge would be in itself evidence of inability or unwillingness to meet the responsibility. If, on the other hand, the challenge is accepted and acted upon with sincerity, if the ability and knowledge of

teachers and administrative officers are brought to bear and a genuine effort is made to set the educational house in order, the good effect upon the schools of the state, from the lowest to the highest, will be pronounced."

I have asked the University of Wisconsin Board of Regents to develop language which can be inserted in the 1975-77 Wisconsin State Budget to allow the ordered phase down, phase out, or consolidation of existing campuses and programs.

I believe that this step is essential, both to restoring fiscal accountability to our University System, and to maintaining the quality of that System for generations to come.

And I believe that the best place for such a plan to be developed is out of the political arena. I am hopeful that this can be the case.

Recognizing the difficulty of the task before Regents, our responsibility as elected officials must be to match the thoughtfulness of whatever plan they present with decisions which reflect the broad public interest of the people of this state.

Reorganization of State Functions

In an organizational structure as complex and dynamic as that of state government, it is inevitable that some functions must occasionally be moved, both to insure more efficient management, and to make these functions more identifiable — and therefore more accountable — to the general public.

In this biennium, I am recommending the transfer of:

- —the tourism function from the Department of Natural Resources to the Department of Business Development, under an appointed director;
- —the Office of Highway Safety from the Executive Office to the Department of Transportation;
- —the Vietnam-Era Educational Grants Program from the Department of Veterans Affairs to the Higher Educational Aids Board:
- —the septic tank and private sewage disposal programs in the Department of Health and Social Services to the Department of Natural Resources; and the licensing of funeral directors, embalmers, barbers and cosmetologists to the Department of Regulation and Licensing;

—The Alcohol and Enforcement Bureau in the Department of Justice to the Department of Revenue.

In addition, I am asking that the Department of Justice prepare, by April 15th, a plan to be included in the budget for merging the functions currently performed by the "house counsels" of the various agencies, reducing their number (where possible), and making better use of the positions involved.

County Assessment

Over the past four years, we have taken great strides to improve both the equity and the accountability of our existing system of property tax administration. The one area in which we have not been very successful is in setting up a more professional and efficient system of assessment.

In this budget I am proposing the establishment of a mandatory certification program for local assessors. And to encourage greater movement towards countywide assessment, I recommend that a simple majority vote of the county board be the requirement for establishment of a county program.

OSHA Enforcement, State Meat Inspection

Nineteen seventy-five is a difficult year financially for the State of Wisconsin. In such a circumstance, it is tempting to embrace any federal offer to "take over" an existing State program.

In the case of OSHA enforcement in the Department of Industry, Labor and Human Relations, and meat inspection performed by the Department of Agriculture, I have resisted this temptation.

I have done this in the belief that the added accountability we gain through State enforcement of OSHA, and the lower consumer prices we achieve through preservation of small, state-inspected meat operations — are well worth the loss in federal funds.

EQUITY

There is no simple standard by which to measure the fairness or the equity of a proposed budgetary action.

We can start with a general acceptance of the way things are currently done. From this perspective, a uniform across-the-board budget cut — or increase — may seem the most equitable approach.

Or we can consider our actions in terms of their direct impact on client groups (e.g. taxpayers, university and vocational students, senior citizens, etc.) and seek to equalize that impact.

Or we can look at the effect of other events and occurrences on the people of Wisconsin — ranging from recession and inflation to changes in social security benefit levels and federal revenue sharing payments to localities — and seek to use state actions to achieve a broader measure of equity in the distribution of social burdens and benefits.

Although achievement of this third standard — the standard of social justice — was our paramount goal, elements of each of these approaches can be seen in the budgetary decisions I present to you today.

In the final analysis, the best approximation we may have of equity is the budget which will result from the clash of political forces in this Legislature over the next five months.

If this is truly to be the case, however, each of us must work to insure that as we make our budget decisions, the organized and powerful special interests do not drown out the unorganized, but no less deserving, voices of the elderly, the working poor, and the needy of all ages, colors and backgrounds.

Shared Tax Redistribution

Four years ago, we initiated a major reform of Wisconsin's system of sharing taxes with municipalities and counties. This reform has helped to ease and equalize property tax burdens throughout the state.

However, some serious problems remain. Many communities continue to receive more money in shared taxes from the state than they raise themselves. (About 18% of the communities in Wisconsin have virtually no municipal tax rate yet receive shared tax payments.) And shared utility taxes continue to pay for all or most of the municipal budget in a number of utility communities.

Since our 1971 reforms, the passage of federal revenue sharing, plus the announcement of construction plans for major new power plants in Wisconsin, have added new elements which must be considered in appraising our shared tax system. In the coming biennium we must follow through on the improvements we achieved four years ago and adapt them to our changing circumstances.

The shared tax distribution reforms that I am proposing today would effectively address the inequities which remain. Specifically:

- —utility payments would be based on a sliding scale more closely related to the costs to the locality of servicing the property involved;
- —per capita payments would be related to the level of locally raised revenues:
- —excess levies payments would be based on an improved measure of local tax effort, which would exclude school taxes (already equalized under Chapter 90), and include fees and some other non-property tax revenues previously left out.

Both the gains and the losses under these reforms would be phased in over time. This approach would, I believe, allow an adequate and reasonable period of transition and adjustment for all concerned.

Homestead Tax Credit Improvement

One of the most timely and important actions of the last session of the Legislature was to expand and strengthen Wisconsin's Homestead Tax Credit Program. As a result of that initiative, 120,000 more households benefitted from homestead tax credits in 1974 than in 1973.

No state program targets more effectively those most hurt by inflation.

For this reason, in one of the few new expenditure requests I am making in this budget, I urge that you increase both the tax and the income ceilings employed in computing this credit — to, in effect, "index" this program for a portion of the impact inflation has had on the working poor and the elderly.

Economic Development — Business Tax Relief

Two years ago, this state made an unprecedented commitment to economic development, through a series of historic business tax reform and relief initiatives.

Comparing the record of the Wisconsin economy over the past twelve months with the rest of the nation — particularly in the area of manufacturing employment — I believe that the wisdom of those steps is readily apparent.

But even if this were not the case, we know that one or two years is far too short a period in which to judge the ultimate value of such measures. Generations of mistrust and misunderstanding will only be undone when we can convince the business community that our commitment to economic development is both genuine and irreversible.

For this reason, I am recommending that the state maintain its commitment to the manufacturing and equipment property tax exemption over the next biennium.

This exemption invites heavy capital investment — investment which can insure the continued high productivity of Wisconsin's industrial work-force.

When the current recession "bottoms out", when management is ready to reinvest in an expanding economy, this exemption will provide a strong incentive to make those investments *here* — thus assuring that Wisconsin industry and Wisconsin's workers will be in a powerful position to meet the challenge of world competition.

Recognizing that new jobs generate more local revenue than state revenue, and that in this budget we are appropriating hundreds of millions of dollars of additional local assistance, I do not think it is unreasonable that we ask local units of government to pay a small part of the cost of maintaining this exemption.

In a time of austerity, every group, including businessmen and women, must accept its share of the burdens as well as the benefits. In the 1975-77 state budget, I am therefore requesting that:

—the schedule we adopted two years ago for phase-out of the personal property tax be revised, and the exemption scheduled for 1978 repealed. Dramatic increases in inventory values, spurred by inflation and stockpiling, have increased the expected cost of this program by 50% over what we projected two years ago. If we maintain the current 80% relief level in 1976 and increase the state's dollar commitment by 7% in 1977, the net effect will still be an increase in state personal property tax reimbursement payments for the biennium of \$91.9 million;

—the due date for sales tax and income tax withholding payments to the state by businesses be advanced, so that the taxpayers can more fully benefit from the interest earned on those payments;

- —the interest charges on late and delinquent tax payments to the state be increased significantly;
- —the primary business location of a firm be considered for purposes of taxation of income from intangibles in Wisconsin as it is in most other states (commercial domicile principle).

Higher Education

This state has no greater asset than its higher education system.

As taxpayers, students, graduates, workers, administrators, employers, consumers, parents — each of us has a very personal stake in maintaining the quality of that system, and assuring every citizen of our state access to first-rate post-secondary education at a reasonable cost.

In a time of rigid fiscal constraints — when there will be great pressure to retreat from our historic level of support for higher-education — the best way to insure the continuation of that support is to distribute its burden more equitably.

A few months ago, the Board of Regents of the *University of Wisconsin System* requested that we reduce student tuition. In the best of times, this is surely a goal we would have liked to achieve. But these are not the best of times.

If my recommendations are followed, the proportion of the state operations budget of the State of Wisconsin which will go to the U.W. System over the next two years will be 57.4%, compared to 55% in the current biennium. And this is the case, after all of the austerity measures I outlined earlier in this message are taken into account!

With this level of commitment from the Wisconsin taxpayers, the notion that those who benefit most directly from a university education should pay proportionately less in this period of hardship cannot be accepted.

What I do accept is the argument that inflation and rapidly rising educational costs may now be pricing some students from low and middle income families out of a college education — and that, as a state, we should be doing everything in our power to avoid this. Accordingly, I am recommending that:

—the loan authority of the Higher Educational Aids Board be expanded by \$10 million over the next biennium;

- existing grant programs be consolidated within HEAB, and given \$9.6 million additional GPR support (an increase of approximately 33% over what they are currently receiving);
- -\$2.78 million in new funds be budgeted to bring student wages up to the required federal minimum (the alternative would be to reduce the number of student employment opportunities).

Over the past decade, state support for Vocational, Technical, and Adult Education has increased by almost 1000%

In 1975-77, it would be difficult to justify the continuation of such a pattern of growth under any circumstances; it is particularly hard when the many inequities involved in VTAE funding are taken into account.

Why should a VTAE student pay only 3% towards the cost of his or her education, and a U.W. undergraduate 25%?

We know that the actual classroom cost of a voc-tech education may be greater than in the University System, and the ultimate financial benefits in terms of personal income, comparable.

How then can we continue to justify such a vast disparity?

Another funding inequity which needs to be addressed in 1975-77 is the unequalized property tax support VTAE districts receive. School tax fairness should be a principle for all Wisconsin educational institutions, not just our elementary and secondary schools.

I am therefore recommending that:

- —a post-secondary tuition of 12.5% of the statewide average cost be established for our VTAE schools (this would amount to about \$250 a year for a full-time student and sufficient funds would be added to the HEAB budget to meet the needs of any VTAE student who could not afford the increase);
- —the state continue to aid VTAE schools at 35% of their total cost (with post-secondary and adult tuition charges deducted), but that this aid be distributed on an equalized basis;
- —fees for adult program courses in the VTAE system and continuing education in the U.W. System be adjusted to reflect a greater proportion of cost.

Faculty and State Employee Compensation

There are many additional higher education issues which must be addressed as part of the debate over the 1975-77 state budget. Of these, the most important from the standard of equity, is how we approach the question of faculty compensation.

In 1975-77, all state employees will be asked to accept their share of the burden of austerity. This is only just.

But equity also demands that every state employee — including faculty members — be assured of comparable treatment in this period of austerity. And that must be our goal.

One element in the existing state compensation program which has recently received strong criticism is the so-called "Christmas bonus" for senior state employees. I am recommending that this questionable program be eliminated.

Elementary and Secondary Education

Two years ago, the State of Wisconsin achieved two historic breakthroughs in the fight for equal educational opportunity—establishment in state law of the principle of school tax fairness, and passage of an educational bill of rights for the handicapped.

In this budget we will follow through on both of those reforms by:

- —incorporating a number of additional categorical aid programs into the state equalized school aid formula;
- —increasing the statewide (K-12) guaranteed valuation to \$111,200 by the end of the next biennium which is more than double what it was prior to the enactment of the current state budget;
- -continuing to assume 40% of total local school district costs
- an action which, with cost controls, will reduce the average school mill rate statewide from 15.3 mills (1974-75) to 14.1 mills (1976-77);
- —continuing to provide the full state share of Chapter 89 costs (which represents an increase of \$50 million over the current biennium).

Health and Social Services

A sad but inevitable fallout of a recession is a rising number of people in need of government welfare and social services.

From AFDC caseload levels to the number of adult males in our prisons, this is precisely what we may expect over the next biennium in Wisconsin.

And that will mean increased expenditures (e.g. \$64.7 million for AFDC caseload growth alone) which we cannot avoid, expenditures about which we have no choice.

Even in those areas where we do have a choice, that choice will not be easy, particularly in a state which has always prided itself on its generosity to people in need.

To meet our obligation to those who have been most hurt by inflation and recession, I am recommending in this budget that we:

—make the state's AFDC standard more equitable by "folding in" a number of special grant programs; update the state's AFDC standard using Autumn 1974 BLS figures; and fund benefits at 95% of this revised standard in 1975-76 and 100% in 1976-77:

—continue our commitment to community-based mental health treatment, by supporting a basic level of local mental health services for 1975-77 (at an increased cost to the state of \$17.3 million over 1973-75), while moving our funding approach toward a more equitable, per capita support formula;

—provide \$36 million more state aids than in the current biennium for county provided or purchased social services (e.g. day care).

In addition, in this budget, I am again urging that Wisconsin's often postponed youthful offenders program finally be established.

Transportation

Our transportation budget proposal for 1975-77 has been described as a "make do" budget. It is more than that.

It is a budget which requires no transportation tax increases, and assures sufficient state highway funds to make our federal "match."

It is a budget which says that in a time of austerity, when measured against more immediate human needs, highway expenditures cannot be considered sacrosanct — no matter how great the apparent needs in this area.

Over the next few months, I intend to review Wisconsin's existing transportation priorities, from the perspective of energy conservation, social equity and new federal energy and transportation programs. When that review is completed, I will present additional recommendations concerning future transportation structures, revenues and expenditures in Wisconsin—as appropriate.

ADDITIONAL INITIATIVES OF NOTE

Even in a tight budget, there is room for new, creative and exciting initiatives — so long as they do not cost too much. Here are a few additional examples:

On next year's tax forms, I am proposing that the people of Wisconsin be offered an income tax check-off option, to fund public campaign financing in this state, and improve the accountability of elected officials to the general public.

The goal of improved accountability in our schools is addressed in this budget with the commitment of funds to the Department of Public Instruction for assessing the reading and mathematics skills of every 12th grade public school pupil in this state, in comparison to national norms and standards.

To meet our commitment to mass transit over the next biennium, I am asking that the funding of this program be transferred from general purpose revenues to the segregated "highway" fund — the first time this fund has been used for these purposes.

Included in this budget are monies to broaden the *food* inspection function in the Department of Agriculture, and to strengthen the state's bank examining capability — two consumer measures which have taken on particular urgency in today's economy.

In this budget, I am proposing that the \$10,000 limit on *life* insurance available from the state fund be raised to \$20,000, to reflect the impact of inflation.

As both an economy measure and a desirable programmatic initiative, I am recommending in this budget the establishment of a co-educational adult program at what is currently the Wisconsin Home for Women.

And through the creative use of federal public service monies—in areas such as corrections—we have been able to fund over

200 necessary new positions in the 1975-77 state budget with federal dollars.

* * * * *

The dollar amounts contained in the budget I submit to you today have by and large been dictated by circumstances beyond our control.

But what is done with those funds — the priorities that are established — is up to each of us.

The harsh circumstances we now face are no excuse for a retreat from our responsibilities. On the contrary, they are perhaps the greatest administrative and legislative challenge any of us has ever experienced.

To those students of government who argue that growth in the size and the cost of public services is inevitable, our challenge is to prove their basic premise wrong.

To those students of practical politics who argue that the easiest way to insure a no-tax increase budget right before the 1978 elections is to raise taxes now, our challenge is to demonstrate the principle that the best assurance of a no-tax increase budget next time is to reduce the base budget this time.

I am convinced that if we are willing — once and for all — to face up to the spending pressures on state government, we can eliminate for the foreseeable future the competitive tax disadvantage which has for so long blighted job opportunities for our citizens.

This year we must all work together to make government in Wisconsin more accountable, efficient and equitable.

It will not be easy. It may be painful. But in the long run, it will hurt far less than the alternative.

Thank you.

11:15 A.M.

The senate reconvened.

BILLS INTRODUCED

Read first time and referred:

Senate Bill 83

Relating to uniform regulation of corporations, associations, partnerships and business trusts acting in fiduciary capacities.

By Senators Flynn, Petri, Krueger and Frank, by request of the Commissioner of Banking, Commissioner of Securities, Commissioner of Savings and Loan, Commissioner of Credit Unions and Commissioner of Insurance.

To committee on Judiciary and Consumer Affairs.

Senate Bill 84

Relating to breaking and entry into coin boxes and depositories, and the possession of burglarious tools, and providing a penalty therefor.

By Senators Murphy, Devitt, Bablitch, Chilsen, Hollander, Berger, Martin, Petri and Bidwell, cosponsored by Representatives Schroeder and Porter.

To committee on Judiciary and Consumer Affairs.

Senate Bill 85

Relating to discontinuance of thoroughfares in certain cities.

By Senator Flynn, cosponsored by Representatives Klicka and Hauke.

To committee on Commerce.

Senate Bill 86

Relating to the immediate restoration of certain bridges to permit hauling of pulpwood and timber at previous weight limits.

By Senator Krueger, cosponsored by Representative Donoghue. To committee on Commerce.

Senate Bill 87

Relating to free fishing licenses for nonresidents 65 years of age and older and who own property in this state.

By Senator Krueger, cosponsored by Representatives Kincaid and Donoghue.

To committee on Natural Resources.

Senate Bill 88

Relating to commencement of school terms.

By Senator Krueger, cosponsored by Representatives Kincaid and Donoghue.

To committee on Education.

Senate Bill 89

Relating to repealing the one-year Wisconsin residency requirement for bartender's license.

By Senator Krueger, cosponsored by Representatives Kincaid and Donoghue.

To committee on Commerce.

Senate Bill 90

Authorizing the sale of certain lands by the department of natural resources.

By Senator Krueger, cosponsored by Representative Kincaid.

To committee on Natural Resources.

Senate Bill 91

Relating to nonresident fishing licenses.

By Senator Krueger, cosponsored by Representative Kincaid.

To committee on Natural Resources.

Senate Bill 92

Relating to the establishment and operation of a foster grandparent program under the department of health and social services, granting rule-making authority and making an appropriation.

By Senators Risser, Peloquin, Swan, Thompson, Krueger, Harnisch, Frank, Martin, Bablitch, McKenna, Chilsen and Hollander, cosponsored by Representatives Munts, McEssy, Flintrop, Anderson, Miller, Shannon and Gunderson.

To committee on Agriculture, Human Services, Labor and Taxation.

COMMITTEE REPORTS

The committee on Commerce reports and recommends:

Senate Joint Resolution 9

To amend article VIII, section 7(2)(a) and section 10, of the constitutuion, relating to internal improvements for transportation facilities (2nd consideration).

Adoption; Ayes, 8; Noes, 1.

RONALD G. PARYS Chairman

PETITIONS AND COMMUNICATIONS

Senate Petition 9

A resolution by the Florence County Joint School District No. 1 urging the adoption of legislation transferring the major portion of educational finance from property to state income tax.

By Senator Krueger.

Read and referred to committee on Agriculture, Human Services, Labor and Taxation.

State of Wisconsin Elections Board

January 27, 1975.

Glenn Bultman Chief Clerk State Capitol Madison, Wisconsin

To The Honorable The Senate:

We respectfully advise that for any constitutional amendment or referenda question to be placed on the April 1 ballot, the finally adopted Joint Resolution -- for administrative purposes -- be in our office by March 1, 1975.

Per section 10.01 (c), Wis. Stats., the explanatory statement shall be prepared by the Attorney General.

It would be our desire to mail this notice by March 1 to the 72 County Clerks to insure time for orderly preparation of ballots.

Sincerely
LEO J. FAHEY
State Elections Board

State of Wisconsin Department of State

January 27, 1975.

To the Honorable, the Senate

Gentlemen:

I have the honor to transmit to you pursuant to s. 13.67 (2), the names of the registered lobbyists for the period beginning on January 20, 1975, and ending on January 24, 1975.

Yours very truly, DOUGLAS LAFOLLETTE Secretary of State

Name, Address and Occupation of Lobbyist -- Name and Address of Employer -- Subject of Legislation Code Number -- Date of Employment.

Gibson, Henry, 1817 McKeon Road Lot 25, Kenosha, Wis. 53140, Social Security Administration Assistant -- Mobile Home Owners Protest Association, Inc. P.O. Box 751, Elkhorn, Wis. 53121 -- 06, 07, 16, 19 -- January 15, 1975.

Krueger, Gene P., Route 2 Box 330 Lot 29W, Elkhorn, Wisconsin 53121, Welder -- Mobile Home Owners Protest Association, Inc., P.O.Box 751, Elkhorn, Wis.53121 -- 06, 07, 16, 19 -- January 15, 1975.

Millard, Lewis, Rt5 Box 30-27, Lake Geneva, Wis., 53147 Factory Worker -- Mobile Home Owners Protest Association, Inc. P.O.Box 751, Elkhorn, Wis. 53121 -- 06, 07, 16, 19 -- January 15, 1975.

Slayton, Eric R., Box 84, Rt.3, La Crosse, Wis., Public School Teacher -- Marine Corps League Dept. of Wis., 908 Sill St., La Crosse, Wis. 54601 -- 31 -- January 18, 1975.

McKay, J. Curtis, W63N650 Washington Ave., Cedarburg, Wis., 53012, Attorney at Law -- Wisconsin Assoc. of Cosmetology

Schools, 6000 W. Oklahoma Ave., Milwaukee, Wis. 53219 -- All coded subjects -- January 17, 1975.

McKay, J. Curtis, W63N650 Washington Ave., Cedarburg, Wis., 53012, Attorney at Law -- Wisconsin Chapter American Physical Therapy Assoc., 2092 S. 102 St., Milwaukee, Wis. -- All coded subjects -- January 17, 1975.

Martin, Ray C., 4513 Vernon Blvd., Madison, Wis., Executive Director -- Wisconsin Assoc. of Life Underwriters, 4513 Vernon Blvd., Madison, Wis. 53705 -- 20, 17, 31 -- January 24, 1975

Rush, Donald S., 30 W. Mifflin St., Madison, Wis., 53703, Attorney -- Wisconsin Assoc. of Plumbing Contractors, Inc., 1545 S. 108th St., West Allis, Wis., 53214 -- 17, 23 -- January 16, 1975.

Rush, Donald S., 30 W. Mifflin St., Madison, Wis., 53703, Attorney -- Wisconsin Catholic Conference 1245 E. Washington Ave., Madison, Wis. -- 01, 04, 05, 07, 08, 10, 11, 17, 22, 23, 28, 30 -- January 16, 1975.

Rush, Donald S., 30 W. Mifflin St., Madison, Wis., 53703, Attorney -- Wisconsin Hospital Assoc., 5721 Odana Road, Madison, Wis., 53711 -- 17 -- January 16, 1975.

Rush, Donald S., 30 W. Mifflin St., Madison, Wis., 53703, Attorney -- Wisconsin Collector's Assoc., Inc., 110-1/2 Third St., P.O.Box 299, Baraboo, Wis., 53913 -- 06, 23 -- January 16, 1975.

Rush, Donald S., 30 W. Mifflin St., Madison, Wis., 53703, Attorney -- Wisconsin Assoc. of Homes for Aging, 131 W. Wilson St., Madison, Wis., 53703 -- 17 -- January 16, 1975.

Mortensen, Robert, 119 Monona Ave., Suite 516, Madison, Wis., 53703 Executive Director -- Wisconsin County Boards Assoc., 119 Monona Ave., Madison, Wis. 53703 -- All coded subjects -- January 14, 1975.

Linton, Thomas A., 5225 W. Vliet St., Milwaukee, Wis. 53208, Secretary-Business Manager -- Board of School Directors, P.O. Drawer 10-K, Milwaukee, Wis. 53201 -- 04, 08, 11, 21 -- January 15, 1975.

Wertschniq, Victor, 5401 N. Bay Ridge Ave., Milwaukee, Wis. 53217, Director -- Milwaukee Board of School Directors, P.O. Drawer 10K, Milwaukee, Wis. 53201 -- 08 -- January 14, 1975.

Rejahl, Clare D., 2702 Monroe St., Madison, Wis. 53711, Executive Secretary -- Wisconsin Assoc. for Vocational & Adult Education, 2702 Monroe St., Madison, Wis. -- 08 -- January 20, 1975.

Reinke, George F., City County Bldg., Rm 102, Madison, Wis. 53709, Dane County Executive -- Dane County Board, City-County Building, Madison, Wis. 53709 -- 12 -- January 14, 1975.

Haselow, Douglas, 200 E. Wells St., Milwaukee, Wis. 53202, Legislative Coordinator -- City of Milwaukee, 200 E. Wells St., Milwaukee, Wis. 53202 -- 31 -- January 14, 1975.

Roesler, Eldon H., Box 90, Nashotah, Wis., Executive Secretary — Wisconsin Feed, Seed & Farm Suply Assoc., Box 90, Nahotah, Wis. 53058 — 01, 06, 07, 11, 23 — January 15, 1975.

Roesler, Eldon H., Box 90, Nashotah, Wis., Executive Secretary — Wisconsin Feed, Seed & Farm Suply Assoc., Box 90, Nahotah, Wis. 53058 — 01, 06, 07, 11, 23 — January 15, 1975.

Roesler, Eldon H., Box 90, Nashotah, Wis. 53058, Executive Secretary -- Wisconsin Plant Food & Pest Management Assoc., Box 90, Nashotah, Wis. 53058 -- 01, 06, 07, 11, 23 -- January 15, 1975.

Mangan, Noel J., 250 E. Wisconsin Ave., Milwaukee, Wis. 53202, Executive vice president -- First Federal Savings & Loan Assoc. of Wisc., 250 E. Wisconsin Ave., Milwaukee, Wis. 53202 -- 03, 19, 06, 10 -- January 16, 1975.

Laszewski, Harry, Box 350, Fond du Lac, Wis. 54935, Dairy Org. Employee -- Associated Milk Producers, Inc., 500 N. Park Ave., Box 350, Fond du Lac, Wis. 54935 -- 01 -- January 15, 1975.

VanThullenar, A.E., 222 S. Hamilton St., Madison, Wis., Executive Director -- Wisconsin Dairy Products 222 S. Hamilton St., Madison, Wis. 53703 -- 01, 06, 07, 11, 21, 28, 25 -- January 14, 1975.

Schaefer, Donald J., 5011 Monona Dr., Madison, Wis. 53716, Executive Vice President -- Wisconsin Credit Union Share Insurance Corporation, 5011 Monona Dr., Madison, Wis. 54716 -- 03 -- January 20, 1975.

Cooper, Liniel H., 154 E. Main St., Stoughton, Wis., Mayor -- City of Stoughton, Stoughton, Wis. -- 14, 15, 16 -- January 14, 1975.

Beyer, William H., 110 E. Main St., Room 413, Madison, Wis., Executive Secretary -- Wisconsin Alliance of Cities, Inc., City Hall Racine, Wisc. 53403 -- 11, 12, 13, 14, 15, 16, 19, 21, 22, 27, 29, 31 -- January 9, 1975.

Steinbach, E. Stony, 31 N. Main St., P.O.Box 272, Mayville, Wis. 53050, Executive Secretary -- Wisconsin Independent Mutual Agent, Inc. 31 N. Main St., P.O.Box 272, Mayville, Wis. 53050 -- 20 -- January 17, 1975.

Rohrer, John J., Box 170, Madison, Wis. 53701, Executive Secretary -- Tavern League of Wis., Inc., P.O.Box 170, Madison, Wis. 53701 -- 06, 07, 11, 21, 23, 24, 28 -- January 20, 1975.

Henry, GlennL., Dane County Corporation Counsel, Rm 313D, City-County Bldg., Madison, Wis. 53709, Dane County Corp. Counsel -- County of Dane, 210 Monona Ave., City-County Bldg., Madison, Wis. -- 12 -- January 20, 1975.

Hesslink, Robert M. Jr., Rm 313D, City-County Bldg., Madison, Wis. 53709, Assistant Dame Co. Corp. Counsel -- County of Dane, 210 Monona Ave., City-Co. Bldg., Madison, Wis. -- 12 -- January 20, 1975.

Brennan, Robert W., 615 E. Washington Ave., P.O.Box 71, Madison, Wis., Executive Director -- Greater Madison Chamber of Commerce, 615 E. Washington Ave., P.O.Box 71, Madison, Wis. -- 31 -- January 21, 1975.

Doucette, Robert W., 803 W. Michigan St., Milwaukee, Wis., President -- Milwaukee Insurance, 803 W. Michigan St., Milwaukee, Wis. -- 03, 17, 20, 29 -- January 17, 1975.

Varda, John P., 125 W. Doty St., Madison, Wis., President -- Wisconsin Motor Carriers Assoc., 125 W. Doty St., Madison, Wis. -- 07, 11, 23, 28, 29, 30 -- January 21, 1975.

Bertz, Thomas W., 1007 Ellis St., Stevens Point. Wis. 54481, Attorney at Law -- Wisconsin Shorthand Reporters Assoc., 217 County City Bldg., 210 Monona Ave., Madison, Wis. 53709 -- 11, 31 -- January 25, 1975.

Carbonneau, Richard J., 250 E. Wisconsin Ave., Milwaukee, Wis. 53202, Vice President -- First Federal Savings & Loan Assoc. of Wis., 250 E. Wisconsin Ave., Milwaukee, Wis. 53202 -- 03, 06, 10, 19 -- January 16, 1975.

Engeldinger, Gerald L., Winnebago County Courthouse, Oshkosh, Wis. 54901 -- Winnebago County, Winnebago County Courthouse, Oshkosh, Wis. 54901 -- 01, 04, 06, 09, 11, 12, 14, 17, 21, 22, 26, 27, 28, 29 -- January 21, 1975.

Atkinson, William P., 1115 16th Ave., South Milwaukee, Wis. 53172, Retired State Legislator -- Veterans Education Committee Inc., 215 E. Edgewater St., Cambria, Wis. 53923 -- 08, 11, 14, 31 -- January 16, 1975.

Lipscomb, Mark G. Jr., 710 N. Plankinton Ave., Suite 412, Milwaukee, Wis. 53203, Attorney -- Assoc. for Wisconsin Child Care Institutions, 710 N. Plankinton Ave., Suite, Milwaukee, Wis. 53203 -- 04, 08, 11, 12, 13, 16, 17, 22 -- January 17, 1975.

Oradei, Bruce J., 222 W. Washington Ave., Madison, Wis. 53703, Lobbyist -- Wisconsin Education Assoc. Council, 222 W. Washington Ave., Madison, Wis. 53703 -- All coded subjects except 19 & 24 -- January 16, 1975.

Carnes, Robert M., 152 W. Wisconsin Ave., Milwaukee, Wis. 53203, Religious Education -- Christian Science Committee on Publication for Wisconsin, 152 W. Wisconsin Ave., Milwaukee, Wis. -- 05, 17, 20, 22, 28 -- January 15, 1975.

Kay, Robert J., 433 W. Washington Ave., Madison, Wis. 53703, Attorney at Law -- Wisconsin Construction Employers Council, 5001 Sheridan Rd., Kenosha, Wis. 53140 -- 19 -- January 16, 1975.

Kuenzi, William Jr., RFD 1 Box 176, Blanchardville, Wis. 53516, Dairy Farmer -- Wisconsin National Farmers Organization, Rt2, Mason, Wis. 54856 -- 01, 03, 06, 07, 08, 11, 21, 23, 26, 27, 29, 30 -- January 15, 1975.

Brown, Robert S. 250 E. Wisconsin Ave., Milwaukee, Wis., President -- First Federal Savins & Loan Assoc. of Wis., 250 E. Wis. Ave., Milwaukee, Wis. 53202 -- 03, 06, 10, 19 -- January 20, 1975.

Whipple, Carlyle H., The Churdhill Bldg. Suite 600, 16 N. Carroll St., Madison, Wis. Attorney -- Common Cause in Wisconsin, The Churchill Bldg., Suite 600, 16 N. Carroll St., Madison, Wis. 53703 -- 09, 10, 16 -- January 21, 1975.

VanSistine, James T., 316 W. Washinton Ave. Rm 701, Madison, Wis., 53703, Ass. Vice President -- Wisconsin Telephone Co., 722 N. Broadway, Milwaukee, Wis. 53202 -- 30 -- January 20, 1975.

Anderson, Peter N., 301 E. Johnson St., Madison, Wis., Secretary-Treasure -- Wisconsin's Environmental Decade, 301 E. Johnson St., Madison, Wis. 53703 -- 07, 11, 26, 27, 29, 30 -- January 19, 1975.

Whittow, George W., 200 E. Wells St., Milwaukee, Wis. 53202, Director of Liaison -- City of Milwaukee, 200 E. Wells St., Milwaukee, Wis. 53202 -- 31 -- January 20, 1975.

Dorsey, Richard, 4840 Ripon Rd., Oshkosh, Wis. 54901, UW Oshkosh faculty member -- Richard Dorsey, 4840 Ripon Rd., Oshkosh, Wis. 54901 -- 01, 02, 03, 05, 06, 12, 13, 14, 15, 16 -- January 17, 1975.

Scamman, James P., 1519 Water St., Stevens Point, Wis. 54481, Superintendent of Schools -- Stevens Point Area Public Schools, 1519 Water St., Stevens Point, Wis. 54481 -- 08 -- January 15, 1975.

Wichern, Arthur, 433 W. Washington Ave., Madison, Wis. 53701, Director Dept. Public & Gov. Affairs, Wis. Division -- American Automobile Assoc., Wis. Division, 433 W. Washinton Ave., Madison, Wis. 53701 -- 06, 07, 11, 20, 23, 27, 29 -- January 14, 1975.

Legislative Subject Identification

Code

Subject

- 01 Agriculture, horticulture, farming & livestock
- 02 Amusements, games, athletics and sports
- 03 Banking, finance, credit and investments
- 04 Children, minors, youth & senior citizens
- 05 Church & Religion
- 06 Consumer Affairs
- 07 Ecology, environment, pollution, conservation, zoning, land & water use.
- 08 Education
- 09 Elections, campaigns, voting & political parties
- 10 Equal rights, civil rights & minority affairs
- 11 Government, financing, taxation, revenue, budget, appropriations, bids, fees & funds
- 12 Government, county
- 13 Government, federal
- 14 Government, municipal

- 15 Government, special districts
- 16 Government, state
- 17 Health services, medicine, drugs and controlled substances, health insurance & hospitals
- 18 Higher education
- 19 Housing, construction & codes
- 20 Insurance (excluding health insurance)
- 21 Labor, salaries and wages, collective bargaining
- 22 Law enforcement, courts, judges, crimes & prisons
- 23 Licenses & permits
- 24 Liquor
- 25 Manufacturing, distribution & services
- 26 Natural resources, forests and forest products, fisheries, mining & mineral products
- 27 Public lands, parks & recreation
- 28 Social insurance, unemployment insurance, public assistance & workmen's compensation
- 29 Transportation, highways, streets & roads
- 30 Utilities, communications, television, radio, newspapers, power, CATV, & gas
- 31 Other

EXECUTIVE COMMUNICATIONS

State of Wisconsin
Office of the Governor
Madison, Wisconsin

Janaury 22, 1975.

To the Honorable, the Senate:

Pursuant to the provisions of section 20.525(1)(c) of the statutes, I herewith submit a report of the following receipts and disbursements from the Governor's Contingent Fund:

On deposit, First Wisconsin

National Bank, Jan. 1, 1973: \$ 1,628.19

Appropriated by voucher: 37,500.00

Net Total available: 39,128.19

Disbursements:

Travel and expenses: 4,635.61

Household food, official

dinners and receptions:

23,583.00

Sundry and other disbursements:

8,520.73

Total disbursements:

36,739.34

On deposit, First Wisconsin

National Bank, Jan. 1, 1975:

2,388.85

Salaries and fringe benefits for

the period Ja. 1, 1973 to Jan 1, 1975 for Executive Residence staff:

98,188.41

Respectfully submitted, ROBERT H. DUNN **Executive Secretary**

State of Wisconsin Office of the Governor Madison. Wisconsin

January 24, 1975.

To the Honorable, the Senate:

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

Senate Bill

Chapter No.

Date Approved

5 ----- Janaury 24, 1975

Sincerely, PATRICK J. LUCEY Governor

By request of Senator Whittow, with unanimous consent, the senate returned to the fourth order of business.

COMMITTEE REPORTS

The committee on Agriculture, Human Services, Labor and Taxation reports and recommends for introduction:

Senate Bill 93

Relating to year-round daylight saving time.

By request of the Highway Trailer Union of Edgerton.

Introduction; Ayes, 9; Noes, 0.

Read first time and referred to committee on Agriculture, Human Services, Labor and Taxation.

Senate Bill 94

Relating to authorizing physicians to treat minors for veneral disease without parental consent.

By request of Wisconsin State Junior Chamber of Commerce. Introduction; Ayes, 9; Noes, 0.

Read first time and referred to committee on Agriculture, Human Services, Labor and Taxation.

CARL W. THOMPSON

Chairman

By request of Senator Devitt, with unanimous consent, the senate adjourned in memory of Patrolmen Robert E. Atkins, Jr. and Wayne W. Olson, Town of Summit police officers who were killed in the line of duty Sunday, January 26, 1975.

Upon motion of Senator Whittow the senate adjourned until 10:00 A.M. Wednesday, January 29.

12:10 P.M.

INTRODUCTION OF GUESTS

Senator Whittow introduced Takao Kyoto of Tokyo, Japan.