STATE OF WISCONSIN

Assembly Journal

Eighty-Fourth Regular Session

WEDNESDAY, January 24, 1979.

10:00 A.M.

The assembly met.

Speaker Jackamonis in the chair.

The prayer was offered by Reverend Robert Paulson of Bashford United Methodist Church, 329 North Street, Madison.

Representative McEssy led the membership in reciting the pledge of allegiance to the flag of the United States of America.

The roll was taken.

The result follows:

Present -- Andrea, Barczak, Barry, Becker, Behnke, Bradley, Broydrick, Byers, Clarenbach, Coggs, Conradt, Czerwinski, DeLong, Dilweg, Donoghue, Dorff, Duren, Ellis, Everson, Ferrall, Fischer, Gagin, Gerlach, Goodrich, Gunderson, Harer, Harsdorf, Hasenohrl, Hauke, Helbach, Hephner, Hopkins, Johnson, Johnston, Kedrowski, Kincaid, Kirby, Klicka, Laatsch, Ladwig, Lallensack, Larson, Lee, Leopold, Lewis, Lewison, Lingren, Loftus, Lorman, Luckhardt, McClain, McEssy, Matty, Medinger, Menos, Merkt, Metz, Miller, Munts, Murray, Norquist, Omernick, Opitz, Otte, Pabst, Paulson, Plewa, Porter, Potter, Prosser, Quackenbush, Radtke, Roberts, Rogers, Rooney, Rutkowski, Schmidt, Schneider, Shabaz, Shoemaker, Smith, Snyder, Swoboda, Tesmer, Thompson, Travis, D., Travis, R., Tregoning, Tuczynski, Ulichny, Vanderperren, Wagner, Wahner, Ward, Wood, Young and Mr. Speaker -- 97.

Absent -- None.

Absent with leave -- Flintrop and Soucie -- 2.

INTRODUCTION AND REFERENCE OF BILLS

Read first time and referred:

Assembly Bill 42

Relating to state revenues, including replacing the alternative energy systems tax credit with an incentive payment program, incorporating all amendments to the internal revenue code into the state income tax, increasing the standard deduction, modifying the taxation of capital gains and losses, creating income tax credits for dependent care expenses and political contributions, revising individual income, inheritance and gift tax brackets, indexing the income, inheritance and gift taxes against inflation, allowing withholding modifications, reducing 1979 taxes and suspending withholding for a corresponding period, permitting corporations to deduct contributions to out-of-state charities, allowing "subchapter S" treatment of certain small businesses, modifying the corporate income apportionment formula, exempting transfers to spouses and certain dependents from inheritance and gift taxes, increasing inheritance and gift tax exemption amounts, repealing the percentage limit for inheritance and gift taxes, exempting crime victims payments and the first \$10,000 of household property transferred from inheritance and gift taxation, repealing the inheritance tax exemption for the first \$10,000 of life insurance, allowing the full deduction of federal estate taxes, allowing instalment payments of inheritance and gift taxes, imposing sales and use taxes on the occasional sales of boats registered with the federal government, clarifying the imposition of the use tax, exempting certain aircraft, livestock feed, pollution abatement chemicals, heating fuels and electricity from sales and use taxes, creating a peoples escrow fund, repealing the tax reform reserve fund and budget stabilization reserve fund, granting rule-making authority, providing penalties and making appropriations.

By Joint Committee on Finance, by request of Governor Lee S. Dreyfus.

To Joint Committee on Finance.

Representative Wahner asked unanimous consent that the following letter relating to the governor's revenue bill be printed in the journal. Granted.

COMMUNICATIONS

State of Wisconsin Legislative Reference Bureau Madison

January 24, 1979

Speaker Ed Jackamonis 211 West, Capitol

Re: Governor's Revenue Bill 1979 LRB-2142/4 and /5

Dear Speaker Jackamonis:

We regret the inconvenience, delay and expense caused by the preprinting of the Governor's revenue bill (LRB-2142/4) as 1979 Assembly Bill "55".

Background. After commencing the preparation of the 1979-81 biennial budget as a single bill during the administration of Governor Schreiber, we were informed by the Budget Office that Governor Dreyfus intended to split the budget bill into "bills" as authorized by ss. 13.10 (2) (b) and 16.47 (1) of the statutes. During the past 2 weeks, we received instructions from the Budget Office on what they and the governor's staff considered the first of the "budget bills". On Friday, January 19, both LRB and the Budget Office contacted the two Chief Clerks for the assignment of a number to this first "budget bill". LRB-2142/4, with 2 front pages, went to the contract printer at 4 p.m. The decision to offer the bill as an Assembly bill was made by the Governor about 5 p.m. and relayed to LRB and the contract The "explanatory notes by the Department of printer. Administration", appropriate for budget bills, were transmitted to the contract printer about 6 p.m.

Bill Number. The Chief Clerk's Office designated number "55" as the appropriate Assembly bill number for 1979 LRB-2142/4 on the assumption that the revision report prepared on Friday would be taken up early in Tuesday's session so that number "55" would be the next number to be assigned. Since this did not occur, the proper number to be assigned to the bill will be "1979 Assembly Bill 42".

Introductory Statement. Considering LRB 2142/4 a "budget bill", the preprinted bill was given an introductory statement -- introduced by joint finance, by request of governor, referred to joint finance -- in reliance on the last sentence of s, 16.47 (1).

Revenue Bill. In presenting his proposal to the joint session of the Legislature, Governor Dreyfus, himself, referred to LRB-2142/4 as his "revenue bill". The Governor explained that he expects to sign a revenue bill before he will sign any budget bill. As a revenue bill, rather than a "budget bill", 1979 LRB-2142/4 is not in proper form. It lacks the enumeration of "sections affected" in the title which is required by Joint Rule 52 (1) for all bills except "budget bills" and others specifically exempt under Joint Rule 52 (1) (e); it lacks the complete "analysis by the LRB" which is required under Joint Rule 52 (2); it includes the "explanative notes by DOA" which are expressly authorized for "budget bills" in Joint Rule 56, but which are otherwise not permitted to be incorporated into bills except as provided in that rule; and it does not come under the fiscal estimate exemption granted by Joint Rule 41 (1) (b).

1979 LRB-2142/5. Based on the foregoing circumstances, we have now prepared a fifth draft of the revenue bill which fully complies with the "proper form" requirements for bill drafting contained in Joint Rules 51 to 56. Its title contains the full catalog of sections affected. Its relating clause describes every major issue treated in the proposal. The analysis deals with every issue in layperson's language. All SECTIONS are numbered consecutively. A copy of the draft will be sent out for a fiscal estimate as required by Joint Rule 41 (1) (a).

Correction of Journal. For clarification of the circumstances surrounding the introduction of the Governor's revenue bill, and to legitimatize the 1/19-22/79 expenditures incidental to the printing of the proposal identified as "1977 AB-55", it might be advisable to have the journal for Tuesday, January 23, 1979, show:

- 1. The preprinting of the document identified as "1979 Assembly Bill 55" (LRB-2142/4) was in error.
- 2. The Governor's revenue bill is not a "budget" bill within the meaning of ss. 13.10 (2) (b) and 16.47 (1) of the statutes and Joint Rules 41 (1) (b), 52 (1) (e) and 56.
- 3. The Governor's revenue bill, revised for "proper form" as 1979 LRB-2142/5, will be entered in the Assembly records as "1979 Assembly Bill 42" and reprinted.

Sincerely yours, Dr. H. Rupert Theobald Chief

LEAVES OF ABSENCE

Representative Wahner asked unanimous consent for a leave of absence for today's session for Representatives Flintrop and Soucie. Granted.

Representative Opitz asked unanimous consent that the assembly adjourn in honor of the birth of a son, John William, to Representative and Mrs. Snyder. Granted.

On behalf of the membership of the assembly, Representatives Porter and Rooney presented to Speaker Jackamonis an hourglass to be used for timing the speeches of Republicans and Democrats.

Representative Wahner moved that the assembly stand adjourned until 10:00 A.M. tomorrow.

The question was: Shall the assembly stand adjourned?

Motion carried.

The assembly stood adjourned.

10:30 A.M.