

JOURNAL OF THE SENATE

Eighty-Fourth Regular Session

TUESDAY, July 31, 1979.

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

INTRODUCTION OF RESOLUTIONS

Senate Joint Resolution 22

Expressing opposition to the use of capital punishment.

By Senator Braun; cosponsored by Representatives Becker and Medinger.

Read and referred to committee on Judiciary and Consumer Affairs.

INTRODUCTION OF BILLS

Read first time and referred:

Senate Bill 305

Relating to state contributions for public museums in populous counties.

By Senators Braun and Moody; cosponsored by Representatives Rutkowski, Plewa and Barczak, by request of Milwaukee County.

To committee on Governmental and Veterans Affairs.

Senate Bill 306

Relating to school and community forests.

By Senators Krueger and Chilsen; cosponsored by Representatives Donoghue, Larson, Schmidt, Kedrowski and Thompson.

To committee on Natural Resources and Tourism.

Senate Bill 307

Relating to income tax exemptions for blind persons.

By Senators Krueger and Chilsen; cosponsored by Representatives Donoghue, Leopold, Larson and Schmidt.

To Joint Survey committee on Tax Exemptions.

Senate Bill 308

Relating to weight limitations on vehicles transporting forest products.

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By Senators Van Sistine, Krueger, Harnisch and Theno; cosponsored by Representatives Donoghue, Schmidt, Larson, Kedrowski and Thompson.

To committee on Aging, Business and Financial Institutions and Transportation.

PETITIONS AND COMMUNICATIONS

Senate Petition 12

A petition by 151 residents of the state of Wisconsin in opposition to any changes in the licensure of the present four divisions of Nursing: Licensed Practical Nurses, Associate Degrees (two-year R.N.'s), Diploma (three-year R.N.'s) and Baccalaureate (four-year R.N.'s).

By Senator Kreul.

Read and referred to committee on Human Services.

State of Wisconsin
Department of State

July 10, 1979.

To the Honorable, the Senate

Senators:

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 July 4, 1979, and ending on July 24, 1979.

Yours very truly,
VEL PHILLIPS
Secretary of State

Lobbyist's name, address, telephone number; principal's name, address, telephone number; the code numbers indicating areas of Legislative action; the code numbers indicating areas of administrative action.

Parys, Ronald G., 206 E. Olin Avenue, Madison, WI 53713 (608) 251-0368 and/or 251-2320; Computer Election Systems, 1001 Eastshore Highway, Berkely, California 94710 (317) 846-2771; 8; 119.

Von Der Vellen, Joseph T., c/o Kohler Company, Kohler, WI 53044 (414) 457-4441; Kohler Company, Kohler, WI 53044 (414) 457-4441; 22; 101, 107, 116, 170, 174.

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Stiner, James E., c/o Kohler Company, Kohler, WI 53044 (414) 457-4441; Kohler Company, Kohler, WI 53044 (414) 457-4441; 1, 2, 3, 4, 7, 8, 13, 15, 18, 20-23; 101, 102, 109, 110, 113, 116, 119, 134, 136, 140, 144, 149, 152, 167, 170, 174-176, 178.

Reinhart, D.B., Box 1957, 1637 St. James St., La Crosse, WI 54601 (608) 785-1330; Gateway Foods, Inc., Box 1957, 1637 St. James St., La Crosse, WI 54601 (608) 785-1330; 4, 13, 21; 116, 142.

Connolly, Gerald E., Minahan & Peterson, S.C., 1260 Marine Plaza, Milwaukee, WI 53202 (414) 276-1400; Gateway Foods, Inc., Box 1957, 1637 St. James St., La Crosse, WI 54601 (608) 785-1330; 4, 13, 21; 116, 142.

Wood, Stephen C., Minahan & Peterson, S.C., 1260 Marine Plaza, Milwaukee, WI 53202 (414) 276-1400; Gateway Foods, Inc., Box 1957, 1637 St. James St., La Crosse, WI 54601 (608) 785-1330; 4, 12, 21, 116, 142.

Kies, Kenyon C., 4369 S. Howell Ave., Milwaukee, WI 53207 (414) 482-0600; Wisconsin Utilities Assn., 4369 S. Howell Ave., Milwaukee, WI 53207 (414) 482-0600; 3, 13, 15, 17, 18, 21-23, 26; 101, 107, 109, 113, 115, 116, 127, 129, 136, 137, 140, 142, 144, 149, 150, 158, 170, 174, 175, 176, 186.

Van Sickle, Charles S., 25 W. Main St., Madison, WI 53703 (608) 255-7277; Communicating for Agriculture, Inc., Law Office Building, P.O. Box 677, Fergus Falls, Minn. 56537 (218) 739-2511; 1-26; 109, 138.

Cagle, Ralph M., P.O. Box 2038, Madison, WI 53701 (608) 257-7181; U.S. Soil, Inc., P.O. Box 926, Salida, Colorado 81201 (303) 539-3535; 1, 17, 21, 26; 109, 186.

Vaughan, Michael R., P.O. Box 2038, Madison, WI 53701 (608) 257-7181; U.S. Soil, Inc., P.O. Box 926, Salida, Colorado 81201 (303) 539-3535; 1, 17, 21, 26; 109, 186.

NOTE: Change of Address

Wisconsin Legislation Consultants, Inc., 520 E. Wabash Ave., Waukesha, WI 53186.

NOTE: Terminations

Hisgen, Linda, lobbyist for Wisconsin Council of Voluntary Family and Children's Agencies, effective July 3, 1979.

Anderson, Norman C., lobbyist for Wisconsin Dental Hygienists Assn., effective July 5, 1979.

The cart of code numbers can be found on pages 99 and 100 of the Senate Journal of February 6, 1979.

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State of Wisconsin Claims Board

June 12, 1979.

Don Schneider
Senate Chief Clerk
State Capitol
Madison, Wisconsin 53702

Dear Mr. Schneider:

Enclosed is the report of the State Claims Board covering claims heard on June 4, 1979.

The amounts recommended for payment under \$1000 on claims included in this report have, under the provisions of s. 16.007, Wisconsin Statutes, been paid directly by the Board.

The Board is preparing the bill(s) on the recommended award(s) over \$1,000, and will submit such to the Joint Finance Committee for legislative introduction.

This report is for the information of the Legislature. The Board would appreciate your acceptance and spreading of it upon the Journal to inform the members of the Legislature.

Sincerely,
EDWARD D. MAIN
Secretary

BEFORE THE CLAIMS BOARD OF WISCONSIN

The Claims Board conducted hearings at the State Capitol Building, Madison, Wisconsin, on June 4, 1979, upon the following claims:

<i>Claimant</i>	<i>Amount</i>
1. Lewis Engineering Company	\$1,313.49
2. Joseph Lore, d/b/a Milwaukee Auto Sales	7,600.00
3. John O'Malley	6,077.50
4. Clinton Wiltsie	2,000.00
5. Walter Wollschlager	4,801.20
6. Emanuel Mueller	19.50
7. George Barnes	7,500.00
8. Cheryl Arndt	1,661.99
9. Westinghouse Credit Corporation	78,500.00

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10. Paul Brynelson 1,516.16

In addition, the following claims were considered and decided without a hearing at an executive session on June 4, 1979:

11. Edith Butson	\$497.50
12. Hunzinger Construction Company	1,032,558.80
13. John P. Keating	131.72
14. Concha Rivera	859.28
15. Timothy Greene	88.00
16. Daniel Stockman	20.00
17. Marcia Correll	207.50
18. Thomas Pfeifer	22.00
19. Carol Batcher	165.00
20. Carol Debny	172.00
21. Donald Dreier	43.47
22. James Struve	56.11

THE BOARD FINDS:

1. Lewis Engineering Company, Edina, Minnesota, claims \$1,313.49 for additional costs related to work performed under an addendum issued for a bridge project at DePere, Wisconsin on September 28, 1977. Claimant purchased plans and specifications from the state which it used as a basis for a successful bid it made to the general contractor on the project. The state did not have a contract with claimant, but only with the general contractor. Claimant asserts it should have been furnished a copy of the addendum after it had been issued by the state. However, there was no understanding between claimant and the state that claimant would be furnished a copy of the addendum. Claimant's purchase of the plans and specifications did not carry with it an obligation for the state to furnish claimant with any addendums that might be issued in the future. The board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

2. Joseph Lore, d/b/a Milwaukee Auto Sales, claims \$7,600 for a Cadillac it purchased on March 27, 1978, from an owner whose title did not reflect a lien which had been imposed on said vehicle on February 28, 1978. Claimant had called the State Department of Transportation immediately prior to purchasing the vehicle to determine if there was a lien on said vehicle. The department's records did not reflect the lien because the lien was still in the process of being recorded. Claimant was an experienced car dealer, and suspicious of the duplicate title he was receiving from the seller which

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was subject to the rights of the original certificate of title. This is not an instance where a mistake was made by a state employe, but one where the time required to enable the state to make its records current resulted in the lien not being recorded at the time of inquiry on March 27, 1978. About 400,000 liens are filed each year, and it was not unusual for the lien imposed on February 28, 1978, and submitted to the department on March 6, 1978, not to have been processed by March 27, 1978. The board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

3. John O'Malley, Greendale, claims \$6,077.50 for expenses related to construction of a new well on property he purchased from the Texaco Oil Company in 1976. Claimant asserts that the state is liable for the cost of the new well because he was told by a state employe that an appraiser's report showed that a well was located on the property. Claimant made no further attempt to verify this information, particularly with the seller. The board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

4. Clinton Wiltsie, Tomah, claims \$2,000 for deer damage to his strawberry beds at Tomah from August, 1977, though the winter of 1978. Although claimant failed to furnish timely notices pursuant to sec. 29.595, Stats., there is some evidence that he was misled by state employes in regard to the proper procedures to be followed. Under the circumstances the board concludes that claimant should receive \$1,000 in full settlement of his claim based upon equitable principles.

5. Walter Wolischlager, Neenah, claims \$4,801.20 for deer damage to his buckwheat and soybean crops from June 10, 1977, to October 31, 1977. Since 80% of the claim had been honored previously by the DNR, the remaining claim is for \$960.24, or the 20% portion which remains unpaid, as provided under sec. 29.595, Stats. Claimant also asserts that he should be reimbursed for the difference between what the damaged portion of his soybean crop would have been worth in the fall of 1977 had it not been damaged by deer and its fair market value in the spring of 1978 when the balance of the crop was sold. The market value increased from \$5.60 per bushel to \$6.90 per bushel during that period. The board concludes, consistent with its past practices, that it shall not award claims for deer damages beyond the 80% provided for by statute, and that the state shall not be liable for any speculative market profits resulting from deer damage. The limit of any such claims shall be those

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provided for by statute. The board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

6. Emanuel Mueller, Sturgeon Bay, claims \$19.50 for refund of boat registration fees paid to the DNR from March to May of 1978. During the period of April 1, 1978, to June 26, 1978, fleet boat owners were required to pay a higher rate of \$1.50 for each boat registered because of a temporary statutory charge subsequently vetoed by the Governor. Fleet boats registered before and after that period were subject to a lower statutory rate. Claimant paid the proper fee of \$40.50 in effect at the time of registration. The board concludes it will not interfere with the legislative process by awarding such claims, and concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

7. George Barnes, Milwaukee, claims \$7,500 for wage loss and loss of personal property in July, 1977, when DH & SS caused him to be arrested in Chicago, Illinois. Claimant's original five-year probation would have ceased on December 3, 1968. However, the department's jurisdiction to revoke probation was extended because claimant absconded from the state and committed another crime while on probation. Although the examiner's order was reversed on appeal to the secretary of the department for equitable reasons, such reversal is not the basis for establishing that claimant's apprehension in Chicago was improper or negligent. The board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

8. Cheryl Arndt, Horicon, claims \$1,661.99 for her loss of wages, child care services, meals, parking expense, gas mileage and missing clothing. Claimant is the wife of an employe at Wisconsin State Prison who was critically injured on the job. Claimant's husband's medical expenses have been paid for by his group health insurance coverage. This claim, however, is not for his expenses, but for those of his wife while she visited him in the hospital, cared for him at home, and accompanied him to court proceedings. A majority of the board (3-2) concludes that a precedent should not be established for paying such expenses incurred by the spouse of an injured employe and accordingly concludes that the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

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9 Westinghouse Credit Corporation, Milwaukee, claims \$78,500 for its loss of security interest of \$71,500 and attorney fees of \$7,000 resulting from alleged erroneous information furnished to it by the Secretary of State's office on April 14, 1975. Claimant requested the names of other secured parties from the Secretary of State's office under sec. 409.407(2), Stats., and was advised there were none. However, claimant later was made aware of the existence of a perfected security interest filed on January 30, 1975, by M & I Bank which should have been reported to claimant. As a result, claimant's security interest was subordinate to that of the M & I Bank, and claimant was obliged to pay \$71,500 to the M & I Bank.

Section 409.407(3), Stats., specifically absolves the secretary and any of her employes or agents from personal liability for negligence in the performance of their duties. This reflects an intent by the state not to pay for such claims, whether reduced to judgment under sec. 895.46, Stats., or under the provisions of sec. 16.007(5), Stats. Accordingly, the board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

10. Paul Brynelson, Madison, claims \$1,516.16 for medical expenses incurred on June 24, 1978, while a state employe. Shortly after he was first employed on February 27, 1978, he was given forms to complete by his employer for medical insurance coverage. He filed said forms and had reason to believe his application for insurance would be duly processed by his employer. Claimant entered the hospital under emergency circumstances on April 30, 1978 and medical bills became due on June 24, 1978, after it was determined that he was not covered by insurance. Claimant had been advised by his employer that he would be mailed additional forms to fill out, but they were not received by him prior to incurring his medical expenses. Claimant was not told by his employer that he was without insurance coverage prior to his hospitalization. Claimant had not made any payments for such coverage, either with his application or by way of withholding from his check, and probably should have made some further inquiry concerning his status. After considering all the facts and circumstances related to this claim the board concludes that claimant should receive \$1,000 in full settlement thereof based on equitable principles.

11 Edith I. Butson, Platteville, claims \$497.50 for medical and other expenses relating to her falling down on a step on October 28, 1978, at the University Student Center. The area where claimant fell was well-lighted and free of objects that could have caused the fall.

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Separate expenditures of \$40 and \$100 do not appear to be medical expenses. The board concludes the claim is not one for which the state is legally liable but concludes the medical expenses of \$357.50 should be paid on equitable principles.

12. Hunzinger Construction Company, Milwaukee, claims \$1,032,558.80 for work performed from June, 1975, to present on the UW-M Humanities Building project. The claimant and the state agree that the claim should be more appropriately dealt with in circuit court, and the claim is denied by the Claims Board so that it may be litigated in circuit court.

13. John P. Keating, Madison, claims \$131.72 for damage to his bike which he believed was caused by a state snowplow on February 16, 1979, near the 200 block of Randall Street in Madison. University records show that this area was swept at 7 A.M. on said date, prior to the time the bicycle was damaged. There is no evidence the damage was caused by university employes. The board concludes the claim is not one for which the state is legally liable nor one the state should assume and pay on equitable principles.

14. Concha Rivera, Milwaukee, claims \$859.28 for lost wages and medical expenses related to a fall on August 18, 1978, at the entrance to Mitchell Hall on the UW-M campus. Claimant was reimbursed \$110 for medical expenses, leaving a balance of \$46 unpaid medical expenses. The incident was not reported to the state, and the state had no prior knowledge of the existence of any hole in any of the steps leading to the entrance of Mitchell Hall. The board concludes there is no showing of negligence on the part of the state, its agents or employes, and the claim is not one for which the state is legally liable. However, the board concludes the unpaid balance of \$46 of claimant's medical expenses should be paid on equitable principles.

15. Timothy Greene, Eau Claire, claims \$88 for medical expenses resulting from an accident on September 19, 1978, at UW-Stout caused by a malfunctioning plastic press. There was a previous record of the machine's malfunctioning. The board concludes the claim should be paid on equitable principles.

16. Daniel Stockman, Madison, claims \$20 for bike damage allegedly caused by a university snowplow around February 20, 1979. No specific date for the accident is given, and there is no record of any bike damage around that date in the area near Sterling and Chamberlain Halls. The bike may have been buried in snow and not visible to any snowplow operator. One of the damage estimates

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submitted is dated March 26, 1979. There is an insufficient showing that negligence by the state caused the damages claimed, and the board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

17. Marcia Correll, Milwaukee, claims \$207.50 for personal items destroyed by a fire at her work station on January 8, 1979, at the state's Work Incentive Program offices. The policy of the Claims Board is to not reimburse state employes for personal items destroyed by fire at their work stations. The board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

18. Thomas Pfeifer, New Berlin, claims \$22 for a bowling trophy destroyed on January 8, 1979, by a fire at his work station at the state's Work Incentive Program offices. The policy of the Claims Board is to not reimburse state employes for personal items which are destroyed by fire at their work stations. The board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

19. Carol Batcher, Milwaukee, claims \$165 for personal items destroyed at her work station on January 8, 1979, by a fire at the state's Work Incentive Program offices. The policy of the Claims Board is to not reimburse state employes for personal items which are destroyed by fire at their work stations. The board concludes the claim is not one for which the state is legally liable nor one which the state should assume and pay on equitable principles.

20. Carol Debny, Milwaukee, claims \$172 for medical expenses resulting from her fainting and hitting her head against a glass door and breaking it at the state's Job Service Office. Claimant was standing in line on January 23, 1979, when she felt faint, and the lady at the desk told claimant to go outside for some fresh air. Claimant fell against the glass door, breaking it, before she was able to get outside. She did not want to go to the hospital, but both the police and state employes at the scene of the incident insisted that it would be in her best interests to do so. Although there is no showing of any negligence on the part of the state or its employes which caused this accident, the board concludes the claim for medical expenses should be paid on equitable principles.

21. Donald K. Dreier, Green Bay, obtained from the Secretary of State a reservation of corporate name for a sixty-day period effective November 16, 1978. Claimant the made expenditures of

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\$43.47 based on this information. Subsequently, the Secretary of State informed claimant that this corporate name was not available. The board concludes that the claim for \$43.47 should be paid since the expenditures were made due to the negligence of an officer of the state.

22. James Struve, Madison, claims \$56.11 for damages to his shoes when making repairs as a service representative of the Xerox Company at Pyare Square Building. Claimant caught his shoe on an exposed radiator which is avoidable and in an area not ordinarily accessible. The building is not owned by the state, and there is no showing of negligence on the part of the state or its employes which caused the accident. The board concludes the claim is not one for which the state is legally liable nor one the state should assume and pay on equitable principles.

THE BOARD CONCLUDES:

1. The claims of the following claimants should be denied:

Lewis Engineering Company
Joseph Lore, d/b/a Milwaukee Auto Sales
John O'Malley
Walter Wollschlager
Emanuel Mueller
George Barnes
Cheryl Arndt
Westinghouse Credit Corporation
Hunzinger Construction Company
John P. Keating
Daniel Stockman
Marcia Correll
Thomas Pfeifer
Carol Batcher
James Struve

2. Payment of the following amounts to the following claimants is justified under sec. 16.007, Stats.:

Clinton Wiltsie	\$1,000.00
Paul Brynelson	1,000.00
Edith I. Butson	357.50
Concha Rivera	46.00
Timothy Greene	88.00
Carol Debny	172.00
Donald K. Dreier	43.47

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Dated at Madison, Wisconsin, this 12th day of July, 1979.

GERALD D. KLECZKA
Senate Finance Committee

VIRGIL D. ROBERTS
Assembly Finance Committee

LAURIE ANN RIACH
Representative of Governor

EDWARD D. MAIN
Representative of Secretary of
Administration

ALLAN P. HUBBARD
Representative of Attorney
General

State of Wisconsin
Office of the Governor
Madison, Wisconsin

July 19, 1979.

To the Honorable, the Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint James Gabriel, of Sheboygan, to the Architects Section of the Board of Architects, Professional Engineers, Designers and Land Surveyors, to succeed the late Robert E. Rasch, pursuant to the statutes governing, to serve a three year term ending July 1, 1982.

Sincerely,
LEE SHERMAN DREYFUS
Governor

Read and referred to committee on Governmental and Veterans Affairs.

State of Wisconsin
Office of the Governor
Madison, Wisconsin

July 23, 1979.

To the Honorable, the Senate:

I am pleased to nominate and with the advice and consent of the Senate, do appoint Charlotte McEssy, of Fond du Lac, to the

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Educational Communications Board, to succeed Vernon Pinkowski, pursuant to the statutes governing, to serve a four year term ending July 1, 1983.

Sincerely,
LEE SHERMAN DREYFUS
Governor

Read and referred to committee on Education and Revenue.

State of Wisconsin
Office of the Governor
Madison, Wisconsin

July 27, 1979.

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
79, partial veto -----	34 -----	July 25, 1979

Sincerely,
LEE SHERMAN DREYFUS
Governor

To the Honorable, the Senate:

I have approved Senate Bill 79 as Chapter 34, Laws of 1979, and deposited it in the office of the Secretary of State.

This budget is responsible, sensitive to the needs of our people and fiscally sound. It is an example of executive and legislative cooperation and of bipartisan compromise. It meets the goal of at least beginning to get a handle on the growth of state government.

This budget would not be possible without the restraint imposed by the Revenue Law, Chapter 1, Laws of 1979. Without the taxing ceiling established by that law, this budget might be nearly 1 billion dollars more than is appropriated and authorized here. Instead the surplus has been returned, income and inheritance taxes have been reformed, the property tax has been relieved, the sales tax on home heating fuel has been removed and the People's Escrow Fund has been established to insure against future unconscionable surpluses.

As you review the measured use of my constitutional power to item veto appropriation bills, please take note of the current economic statistics and forecasts from Washington. The national

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economy is in decline, a recession will soon be impacting on Wisconsin. That may result in less revenue and greater demands for some of our social service programs. It is vitally important that the restraint in state spending evidenced by my vetoes be supported or we will be forced to retake from the people tax dollars recently returned. I will do everything in my power to prevent that.

For the most part this is a good budget. Although you may hear otherwise, local governments are treated very well. State shared revenues will increase 12% in 1979-80 and another 10.8% in 1980-81. Local highway aids increase 17%. General school aids increase 10.1% in 1979-80 and 7.2% in 1980-81. The result should be substantial relief from the property tax at the local level. It is essential that local officials pass through this benefit to the people.

TAX POLICY AND LOCAL ASSISTANCE

This budget, including my vetoes, will provide an overall increase in shared revenues of 12% in 1979-80 and 10.8% in 1980-81. Cities will receive increases of 20% in the first year of the biennium and 13% in the second year. Villages will receive 9.5% in the first year and 8.1% in the second. Counties will receive 6.3% in the first year and 11.7% in the second. Towns will decline 5.3% in the first year but increase 2% in the second.

The shared revenue minimum guarantee is extended for two additional years to give towns and municipalities additional time to adjust to changes in the formula. I have vetoed the unnecessary increase of \$6 million and the apparent open-ended funding commitment in the budget sent to me, but \$17 million will be available to the 811 towns and 51 villages affected. Some towns will also benefit from the full manufacturing adjustment described below.

Although I have not vetoed the PPTR related "Excess Tax Base Loss" aids, I will be submitting legislation shortly to correct a technical problem which allows some school districts to receive aid that was not intended to be included under the provision. This technical error will lead to an additional cost of \$1.3 million in the first year of the biennium alone. Because the current language fully covers those districts which have been hardest hit by phase-out of personal property, I believe that separate legislation represents a more constructive approach toward correction of the technical problem than exercising my veto over the entire program.

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TRANSPORTATION

Total state spending for transportation, including state trunk highway projects, improvements, bridges and maintenance, local highway aids, mass transit, rail and other programs will increase 23% under this budget, from \$633.2 million to \$781.4 million in the biennium.

Most significant is the stepped up program for upgrading our major roads. It is clear that a sound transportation system is essential to a sound economy. We must not let our highways decay as have the railroads, or those who follow us in office will preside over serious economic decline as well.

I have vetoed the enumeration of major projects in the budget because, while most appear on the priority list of the Department of Transportation, it establishes a precedent of vote trading for the future none of us want to see.

One exception to that veto is the Lincoln Memorial Bridge. I believe we have a unique opportunity to bring together the diverse forces behind this project which will reinvigorate downtown Milwaukee. Therefore, I have approved both the federal \$3.2 million and the state \$800,000 funding. I have, however, vetoed the restriction on bridge design. That we should leave to the engineers.

During 1979-81 the state will be making a substantial commitment of its transportation revenues to assist local governments. In total, the transportation budget I have approved in this bill will benefit local governments through aids to the tune of \$300 million. This means that 40% of all state collected revenues in the Transportation Fund go back to local units of government.

Transportation aids is one of the key financing elements of every local highway budget. During 1979-81 this formula will distribute \$232.1 million, a 12% increase over the previous 2 year period. In addition, \$21.0 million will be distributed on a one time basis in 1979-80 bringing the total to \$253.1 million or a 22% increase.

Local transportation aids supplement provide a 10% supplement to the transportation aids of each county, city, village, and town and a supplemental payment of \$125 per mile of rural roads in counties and towns. These \$21 million additional local aids place the state transportation fund in a serious deficit situation. But I have decided reluctantly to not correct these serious flaws in this budget. Even with \$20 million of one-shot accounting adjustments in the legislative budget, and even if gas tax collections were to meet earlier estimates, the transportation fund still faces a possible \$13 million deficit in 1979-80. If gas taxes were to stagnate to a 0% change from last year, that deficit would climb another \$15 million to \$28 million. A

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possible 5% dropoff in gas taxes could push that potential deficit up to \$50 or \$60 million during the 1979-81 biennium. Having created this fiscal dilemma, it is now incumbent on the Legislature to work with the Department of Transportation in resolving this serious problem that threatens essential state and local transportation programs.

Alternate mode advances are also made in this budget. Mass transit operating assistance will increase to \$28.3 million, or 61% in 1979-81 over the previous biennium.

The transit capital assistance program to aid local systems in acquiring buses is also included in the budget. This program will provide \$2.0 million for state funding of 50% of local costs involved in vehicle acquisition in present systems. This program is designed to help meet the growing need for buses as people seek alternatives to paying the high cost of gas.

The budget bill also will authorize the Department of Transportation to begin an extensive examination of the potential for commuter use of light rail in our urban areas. I have, however, vetoed the \$1 million appropriation from the transportation fund as premature.

The budget includes \$5.1 million for the Department of Transportation's elderly and handicapped program. This compares with \$2.6 million in 1977-79 and represents a 96% increase in these aids.

The new transportation system management program authorizes the Department of Transportation to make 80% grants to local governments to develop new and innovative methods of administering current transit systems and in developing new approaches to other existing traffic congestion problems.

This budget also includes new programs to address old problems in a number of other transportation modes -- air, water and rail.

For the first time state transportation funds may be used in the dredging and maintenance of our harbors. This budget authorizes the Department of Transportation to make 50% grants to local governments for certain harbor maintenance costs. I have, however, vetoed the \$1 million appropriation from the Transportation Fund, but not the \$2 million in authorized bonding.

The Rail Capital Advance Program is a new program which will allow the state to become involved in making cash advances to railroads to assist in maintaining viable rail lines. It is designed to avoid the spiraling deterioration which usually results in abandonment.

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The budget also provides funding to continue the state's other rail programs. The former rail property improvement loan program, which provided loans to local transportation commissions to acquire and improve track on abandoned state-owned rail lines, has been changed to a grant program. The state also will now pick up 100% of the costs for installing new crossing protection devices.

This budget includes a new program for installation of more modernized navigational aids equipment in the state's six commuter airports.

Clearly we are meeting, within our fiscal constraints, the demands for a multi-mode transportation system.

EDUCATION

This budget provides increases in total support for primary and secondary education by \$58.9 million in 1979-80 and another \$46.4 million on top of that in 1980-81. This is a substantial increase in commitment. My main concern about this growth is that the funds do not deal directly with the severe crisis in basic skills in this state. Local districts, teachers and the Department of Public Instruction would do well to use these additional funds to focus on this issue or eventually feel the anti-education wrath of the people, which is already ascendent.

In reviewing provisions for education in this budget, I continue to believe there is a tremendous need for coordination of the considerable resources we place in this critical enterprise. I will act of that belief.

Full funding for the handicapped education program and the pupil transfer program is provided and the school transportation program is expanded by \$3.6 million dollars to help schools withstand the sharp jump in fuel costs.

The budget approves \$7.6 million for major improvements in the UW System, including a \$5.1 million supplement for replacement of obsolete equipment used in instruction. Also included is additional funding for faculty development, the UW-Milwaukee School of Architecture, increased student wages, the extended degree program and increased funding for minority and disadvantaged students, all of which improve quality and accessibility to higher education.

As innovative approach to dealing with the doctor distribution problem is included. It combines a substantial increase in student tuition at the medical school with a loan forgiveness program. (HEAL) I have concerns about the manner in which tuition is being set, although tuition will have to rise substantially if federal support is cut off as anticipated. Many have raised questions about the unlikely

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success of the program. Clearly further refinement through legislation is necessary. However, this problem has been apparent for a very long time. Some of its chief critics have neglected their opportunity to address it. The doctor distribution problem in this state is real. I say, let's give it a try.

I have approved construction of the new school of Veterinary Medicine. It is unfortunate this decision was not made years ago when costs were lower. It is time to get on with it. I do not intend as Governor to allow controversial issues to fester so that the real issues are camouflaged in political rhetoric as costs rise. I am determined that the veterinarians produced by this new school deal with the animal population in need of care -- large animals and farm animals. The success of the HEAL program in influencing doctor distribution will be carefully surveyed for its applicability to veterinarians.

The Higher Educational Aids Board is granted \$47 million in increased revenue bonding authority to provide funds for state direct student loans. In addition, the budget provides for maximum grant increases from \$1,500 to \$1,800 annually in the Tuition Grant, Wisconsin Higher Educational Aids Grant and Indian Student Assistance Grant programs.

The Arts Board budget includes an additional \$865,400 in the biennium. These additional funds will expand and improve support for existing programs such as Artist-in-Schools, community arts agencies and general projects. A new program to bring art to dependent, elderly and institutionalized populations will also result from this budget.

An additional \$418,000 annually is provided to upgrade and increase the utilization of instructional television in Wisconsin. It is estimated teacher use will increase from 17% to 25% statewide over the biennium as a result of this additional support to replace obsolete programs. I hope it will be used to teach basic skills. This budget also includes partial funding and permission to construct two relay transmitters to improve the television network signal coverage within the state.

The Medical College of Wisconsin will receive an additional \$1.4 million GPR over the biennium to support an increase in Wisconsin medical students from 418 to 496. Additional funds are provided over the biennium to expand the number of residency positions and sites in the family practice program.

The dental contract includes additional funds to support Wisconsin residents at Marquette. These additional monies are required to offset the cost of renovated facilities and a decline in federal capitation support.

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The support of the people of Wisconsin for education at all levels can hardly be described as shabby.

ENVIRONMENT

We Wisconsinites are blessed with an environment the envy of other states. This budget works toward preserving that irreplaceable asset by providing the resources to meet the federal clean air act and by increasing state aid for point source pollution abatement grants to municipalities. DNR will now assume administration of the federal point source grant program, providing "one-step" grant approval for municipalities. Responsible adjustments are also made in flood plain mapping assistance to local governments and in assistance to counties for forestry.

I have some reservations about the fee and license increases recommended by the Conservation Congress and the DNR board. However, the action in this budget stops the Conservation fund from going into deficit and insures continuation of our excellent conservation and recreation programs.

ENERGY

Clearly energy conservation must be a high priority of state government. Several actions in this budget address this concern. The alternative energy tax credit is changed to a direct subsidy program to reduce red tape and simplify the state tax system.

\$1.2 million in state funds is provided as a supplement to a federal program to provide labor, equipment and materials to insulate or "weatherize" the home of low income persons to both conserve and reduce the overall cost of energy.

An Energy Development and Demonstration Fund is created to provide grants for small energy development projects which make use of Wisconsin resources, such as whey-based gasohol, or which respond to particular Wisconsin energy needs, such as agricultural product drying.

For a fee of only \$10 (instead of the \$750 regular fee) a permit holder may now use or sell alcohol if it is unfit for use as a beverage and is used or sold for use in an internal combustion engine. This will encourage the development and use of gasohol.

This budget includes the requirement that state agencies formulate and implement a plan to reduce by 15% the annual mileage driven by state automobiles or the authorized use of personal automobiles. I have already issued a directive to state agencies to achieve this energy savings. I chose not to veto this section as

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duplicative because reinforcement of this goal by the Legislature to the agencies reinforces our commitment.

ECONOMIC DEVELOPMENT

The key to the future of this state is jobs which requires economic development. Later this session, I will be offering some suggestions to strengthen the state's program in this area. Several actions have already been taken in this budget.

Substantial increases in funding are provided for agricultural market development and tourism advertising. Tourist information centers are established in Ashland in the north and Genoa City in the south.

Through use of the partial veto we will remove a disincentive for communities to seek industrial expansion by modifying the shared revenue formula to exclude the value of manufacturing property from shared revenue calculations. No community should be penalized through the shared revenue formula for encouraging and accepting new or expanded industry.

HUMAN SERVICES

In the area of human resources this budget is clearly in the progressive tradition of this state. Substantial increases are provided for elderly nutrition, transportation and additional senior centers. A new emphasis is placed on volunteer programs for the elderly including the senior companion program, RSVP and foster grandparent program. The state's commitment to insuring a full array of necessary services to the elderly is apparent.

This budget includes a new and innovative Youth Aids Program which provides funds for counties to develop alternatives to state juvenile institutions and place greater accountability for placements at the local level. Under the old formula if a juvenile was sent away, the state paid. If the juvenile was assigned to community programs, the county paid. The state should not provide economic disincentives for creative alternatives for dealing with erring juveniles. Approximately \$3.6 million will be available for one-time grants to counties to improve the quality and range of juvenile delinquency services. \$16.1 million will allow counties to pay for placements at the correctional institutions or for use in local programs. This approach is controversial, but so is constructing a new juvenile institution. The overcrowding of juvenile institutions will be alleviated, and local agencies will have a chance to deal with juvenile problems within their unique environment.

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One of my major concerns is the overcrowding in our adult correctional institutions. This budget will provide over 300 additional beds which will help relieve the overcrowding at Waupun and Green Bay and reduce pressure on guards.

We are clearly in need of a new correctional facility in Southeastern Wisconsin. I believe it is bad public policy for the Legislature to enact prohibitions on state facility location. Therefore, I have vetoed those sections in this budget which eliminate nine of the ten sites. The Department of Health and Social Services will, however, respect the apparent will of the Legislature and consider Union Grove as the priority site.

In the biennium \$415 million will be distributed for community services at the local level including mental health, developmental disabilities, alcohol and drug abuse, a 16.2% increase. The state's commitment to a comprehensive delivery system is clear.

Perhaps no one group feels the impact of inflation more than those least able to bear the burden, those who spend their limited funds mainly for necessities such as food, housing, fuel. This budget provides for an additional 7.5% annual increase in AFDC payments to help counter inflation.

I have decided not to veto the extra inflation factor in the state supplement to SSI payments. While I think equity between AFDC and SSI recipients is a responsible goal, if we are to err, we should err in favor of those most in need -- the sick elderly and disabled.

GENERAL CONCERNS

I truly believe this is basically a good budget, but there are several concerns I do have. The reliance on indebted bonding for some ongoing programs is not good policy. I have vetoed part of the building program to indicate my intent not to allow this state to go into debt for preventive maintenance of our buildings. I intend that projects such as these be funded from current resources, not from the earnings of the next generation.

I am also concerned about the tendency of the legislature to enter administration. As time goes on, I become more convinced that some administrators want to become legislators and some legislators want to become administrators. I have little problem with the legislature setting standards for bureaucrats. That is why I have not vetoed the provisions on out-of-state travel, gas consumption reduction and parking fee requirements. In fact, I encourage the legislature to more specifically detail its wishes when it passes a law. This will more effectively restrain agency creativity in rule-making than remedial actions and complicated review mechanisms. I do have concerns

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about substantial intrusion by the legislature into the actual administering of government. That is why I have vetoed the sections concerning position authorization, vacant position review and administrative rules. Effective management and executive flexibility must not be diluted or accountability to the people and good fiscal management will be lost.

Major items vetoed add approximately \$35 million GPR to the cushion. Added to the \$20 million cushion provided by the budget sent to me, I believe our fiscal status remains tight but manageable.

As I approached the item veto process, I chose not to remake the budget, but rather to respect legislative initiatives where possible. I believe the result is a sound review, responsible and moderate alterations, and a refined budget which provides the fiscal cushion necessary to meet the dynamic national economic scene this biennium and restrict untoward buildups in funding growth in the next. I hope you will approach veto consideration with the same measured response.

I. COURTS AND JUSTICE

STATE PUBLIC DEFENDER BOARD 1980-1981 APPROPRIATION AND COMPARABLE PAY FOR ATTORNEYS

Figure 20. 005(2), appropriations 20.550(1)(a), (1)(b) and (1)(c) and Section 1126m provide program representation, appellate representation and trial representation funding for fiscal 1980 and 1981 and compensation and benefits for staff attorneys at a rate comparable to that received by assistance attorneys general.

Although I am in basic agreement with the goals of equal justice this program is designed to address, I feel compelled to veto the Public Defender Board's fiscal year 1980-81 appropriation. This will require the legislature to deal with this entire program. Because of the questions raised about the merits of the Public Defender Program, especially as it concerns expansion to all counties. At my direction the Wisconsin Council on Criminal Justice is studying the program's need and will submit a report to me by December, 1979. I will then address the question of continuing the Public Defender Board's funding in the 1980 Annual Budget Review.

Clearly some areas of the state, such as Milwaukee, need this type program. In other areas the need might be adequately met without full-time state employees. I am retaining funding for the private bar reimbursement appropriation in order to ensure that indigent clients will have adequate representation during the time in which the appropriate role of the Public Defendant Program is being examined,

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and full funding withheld. It is my hope that methods can be found to reduce the cost of the program without severely limiting the services which it provides in those areas with actual need. I have asked the State Public Defender to cooperate in keeping the program in check until the Legislature acts next year.

I have also vetoed the requirement related to salaries. Salaries should be based on each attorney's caseload, the local cost of living, and the pay scale of the district attorney in that community. My action here allows for increased flexibility in determining the compensation level of individual public defenders based on these local factors. We should not create the situation where district attorneys are encouraged to become Public Defenders because of the higher salaries. Nor should we create the situation where we pay more for defense than we do for prosecution. That clearly will undercut the people's faith in our system of justice.

JURY TRIALS IN PATERNITY SUITS

Section 854g mandates a jury trial in paternity suits unless waived by each party. I have vetoed this section.

This veto restores current policy and procedure which allows a party to request a jury trial. The right to a jury trial is preserved and it is consistent with procedures governing the exercise of the right to a jury trial in other areas of the law. There is no apparent overriding need to require jury trials in all paternity suit cases. To do so will only add to the cost and exacerbate court congestion.

II. EDUCATION

DECLINING ENROLLMENT AID

Section 957m recalculates the "declining enrollment increment" which is the basis for payment of declining enrollment aids to school districts.

I have exercised my partial veto on this section by changing the decline percentage from 3.1% to 4%. Under the budget provision, school districts would receive over \$33 million in relief from losses of state aid due to declining enrollments. Although I recognize the problems inherent in reducing school budgets, I believe that these difficult choices must be made now or the situation will only be compounded in the future. My partial veto will reduce the declining enrollment aid by \$8.9 million. This reduction will be felt primarily by a small number of large school districts. It is precisely these large districts that have the greatest ability, in a relative sense, to cope with enrollment declines because of their scale of operations. My partial

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veto should not be construed as indicating my complete agreement with the concept of declining enrollment aids. It is, instead, an attempt to balance my own beliefs with those expressed by the Legislature. Clearly school districts must get the message that adjustments must be made as enrollments decline. The decisions are not easy ones, but without them both the state and the schools will face even greater fiscal stress in the future.

LAW SCHOOL: PART-TIME ENROLLMENT AND NIGHT COURSES

Section 794ba requires the University of Wisconsin Law School to provide part-time opportunities and offer a full range of those courses in the evening every three years required in order to be admitted to the state bar. I have exercised my partial veto on this section.

Although I strongly agree that there should be part-time opportunities and evening courses, creation of a separate and distinct night law school would be costly, and the funds are not appropriated in this budget. I am concerned that the regular law school program may be undermined by the creation of a whole new program in the evening when the option of moving courses now offered during the day to the evening is still available. We can and must maintain the academic excellence and standing of the University of Wisconsin Law School while providing part-time and night opportunities. The law school has committed itself by letter to expanding part time and evening course availability. I personally will watch the adequacy of its progress.

SCHOOL BREAKFAST PROGRAM

Sections 178g, 952m, 952r and 953 establish a new categorical aid for school breakfasts offered by the primary and secondary schools in Wisconsin.

I have vetoed these sections along with section 20.255(1)(fi). I do not support the creation of additional categorical aids which diminish the amount of money distributed as general school aid. General state school aids have increased substantially. If local districts wish to expand this program, they could allocate their general aids for this purpose. Currently many districts with adequate resources available have chosen not to participate in the federally supported program.

Further, I am not convinced that this aid program would have increased the number of school breakfasts served. School districts would be precluded in this proposal from charging students more

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than 25c for a breakfast when their unreimbursed costs could well exceed that amount. In effect, many school districts would have to pick up more costs by participating in the program than by not participating.

III. GENERAL GOVERNMENT

PREVENTIVE MAINTENANCE PROJECTS

Section 2006m(1)(k) authorizes \$14 million in bonding to be used for special preventive maintenance projects.

Preventive Maintenance of state facilities is not a proper use of long-term debt. As you are aware, my original budget not only did not call for bonding for preventive maintenance, it called for cash payments for new construction. Joint Finance removed the new construction recommendation. Preventive Maintenance borrowing was added in the last hours of budget consideration. It is bad public policy. We should not borrow on tomorrow's resources for today's need. My partial veto of this section will allow the Building Commission to utilize Building Trust Funds for those projects which are truly preventive in nature, and to allow non-deferable code violations to be paid for by bonding.

While this provision will create some stress, especially with the University System, I am confident adjustments can be made which permit essential preventive maintenance projects to be completed. It is my intent to return to the legislature with a preventive maintenance program that is not based on borrowing.

NURSING HOME OMBUDSMAN TRANSFER

Sections 30r, 33g, 33r, 57d, 565m, 1022p, 2001(5) and appropriations 20.505(7) under figure 20.005(2) transfers the Nursing Home Ombudsman program from the Lieutenant Governor's Office and create a Nursing Home Ombudsman Board attached to the Department of Administration.

I have vetoed this provision because it would establish another board and incorporate the Nursing Home Ombudsman program into the bureaucracy. I am issuing an Executive Order which establishes this program, without the board, in the Executive Office. As a result of this action, the Nursing Home Ombudsman program will enjoy the visibility and independence of the Executive Office and thus be better able to protect the rights of our citizens forced to live in nursing homes. As I see the direction of this office over the last few years, the program can become an effective force for aiding and protecting the rights of the elderly.

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BOARD ON ECONOMIC STATUS OF WOMEN

Sections 2qa, 420m, 683m, 1022q, 2058(2), and appropriation 20.432 under Figure 20.005(2), create a Board on Economic Status of Women to study and advise on all matters relating to the economic status of women in the state.

I am vetoing this measure because it duplicates a program already being implemented in the Executive Office. As you know, I have recently appointed an Advisor on Women's Initiatives to my executive staff. Her participation and involvement in Executive Office decision making, along with the appointment of specially targeted task forces to study domestic violence, marital property reform, displaced homemakers, the single parent and state affirmative action will advance the status of women throughout the state and deal directly with some serious problems. I am convinced that this approach will be successful. The most effective way to advance the status of women in Wisconsin is to focus concern for and action on women's issues in one place, while using the authority of the Governor's office to give impetus to program implementation. Another Board dealing with women's issues would only compete for the same human and dollar resources which would be counter-productive to both approaches.

COUNCIL ON HISPANIC AFFAIRS

Sections 33f, 33u, 56t, 563m, 2001(6) and appropriation 20.505(5)(dm) under Figure 20.005(2) create a Council on Hispanic Affairs charged with assisting and advising as to the nature, magnitude and priorities of the problems of the Hispanic people in Wisconsin.

My veto of the sections creating this council in no way indicates a lessening of my concern for the needs and problems of the state's Hispanic population. My commitment to positive and concrete solutions to these problems is demonstrated by efforts now underway to establish the position of Governor's Advisor on Minority Initiatives. Included in this will be an advisory group from the Hispanic Community which will directly address Hispanic problems. With close proximity to the Executive Office, the Governor's Advisor will coordinate minority programs with state agencies, and will respond to specific minority issues. It will permit a consolidate attack on the problems faced by minorities while insuring the flexibility to address the unique problems of each group.

Therefore, I am vetoing this measure because it duplicates a program already being implemented in the Executive Office.

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GOVERNOR'S AUTHORITY TO CREATE PROGRAM POSITIONS

Sections 7w, 56g, 62g, 62r, 64d, 64h, 64p, 64t, 70g, 70r, 1022w, 1022x, 1024d through 1024w, 2101(1)(h), 2102(1)(d) and 2104(1)(a) severely restrict executive authority regarding position authorization in the following manner:

The sections immediately withdrawn executive authority to create project or permanent positions financed from program revenues.

On June 30, 1981, they withdraw executive authority to create federally funded positions.

They require individual agencies to justify the need for these positions before the Committee on Joint Finance.

They create a statutory ceiling on the number of full time equivalent positions authorized for each agency.

I have exercised my veto authority over all sections of this provision. One of my primary reasons for this action is the need for me to reassert and clarify the necessary separation of authority and responsibility between the Legislative and Executive branches of state government. The authority to authorize additional positions subsequent to the budget process is a necessary component of effective management and should be preserved. My veto is also prompted by the fact that there appears to be little justification for this precedent-setting attempt to consolidate legislative authority. The State Budget Office effectively reviews requests for new positions for consistency with legislative intent and for adherence to sound management principles. Requests for limited numbers of federal positions to state payrolls are reviewed by the Executive Office as well.

Despite my rejection of this proposal I am fully cognizant of the necessity to control and limit position authorizations as well as the legislature's legitimate interest in assuring that this is accomplished. The people need to know how many state employees there are. Abuses in the LTE program must be stopped. Therefore, I have directed the Department of Administration to establish with my approval and report to the Legislature a clear mechanism which will satisfy the need for accurate and timely position information and control.

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VACANT POSITION FREEZE AND REDUCTION

Section 2058(3) requires that positions vacant for nine months and not in active stages of recruitment as of the passage of the budget bill, are to be frozen. In order to retain a frozen position in its base, the agency must document its need before the Joint Committee on Finance.

I am vetoing this provision because it violates the implied contract between the Executive and Legislative branches of government which provides for a collective agreement on GPR positions during the budget process. I intend to establish firm parameters on state employment. However, there are legitimate reasons for intentionally holding positions vacant. These reasons relate to flexibility in both program and management requirements. This flexibility permits agencies to determine whether they can get along without the positions. It permits positions to be filled only when truly needed during the year. It permits recruitment of truly outstanding candidates. I am fearful that this proposed approach will encourage quick filling of currently vacant positions. Unfilled positions cost the state nothing. Forced hiring may result in settling for less than the best candidate.

UTILITY EXECUTIVE SALARY LEVELS

Section 1018y prohibits utilities from charging consumers for any portion of a utility employee's salary which exceeds the Governor's salary. The responsibility for determining the size and appropriate use of utility rates has been assigned to the Public Service Commission. The precedent established by this action opens a range of involvement in the volatile area of rate setting which creation of the PSC was designed to insulate against. The minimal effect of this proposal on utility bills must be weighed against the larger issue of objective review of the need for and use of rates charged the public. For these reasons, I feel compelled to veto this proposal.

CONTRACT CLEANING

Sections 72g, 72r and 2101(15)(b) require that cleaning and maintenance contracts for the General Executive Facility-2 and General Executive Facility-3 state office buildings provide wages and fringe benefits equivalent to those paid to a comparable civil service employe.

This provision violates good management practices. The basis justification for entering into contracts with private vendors is that they provide a service more efficiently or economically than the state

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is capable of providing. If they do not, the state should not contract. The authority to authorize contractual agreements with private vendors is a necessary component of effective management and should be preserved. I am, therefore, vetoing this proposal in order to preserve the cost-saving principle as it applies to this and all other state contracts.

LIFE CYCLE COSTING

Sections 73 and 73(m) require documentation and consideration of life cycle cost estimates for all state contract awards for materials, supplies, equipment and contractual services.

During the times of rising energy costs, consideration to life cycle cost estimates should become increasingly important in state purchasing decisions. However, the proposed language would require consideration and documentation in situations where it is not appropriate. My intent is to require consideration of life cycle cost estimates where applicable to the purchasing decision, without requiring documentation where inappropriate. I am, therefore, vetoing this provision.

ADMINISTRATIVE RULES

Sections 8e, 1019ua, 1019ub, 1019uc, 1019ud, 1019ue, 1019uf, 1019ug, 1019uh, 1019ui, 1019vg, 2qcm, 1019uj, 951, 2102(58)(b) and 82m have two major effects: They create a mechanism for the review of all rules proposed by agencies. The standing committees, and then JCRAR, would be empowered to delay the implementation of a law by disapproving a proposed agency rule. If a majority of a standing committee and the Joint Committee for Review of Administrative Rules disapprove a rule, a bill to prevent promulgation must be introduced in each house. If one or both of the bills are defeated the rule may be put into effect.

These sections also modify JCRAR suspension authority by, among other things, specifying grounds for suspension, prohibiting consideration of bills of repeal at special sessions, circumventing the power of standing committees to kill a bill of repeal and carrying over from one session to the next bills of repeal which are introduced late.

While I am firmly committed to making agencies accountable and welcome the review of controversial or questionable rules -- especially if they contradict legislative intent, over-regulate the private sector or cause unnecessary paperwork -- I have several sincere reservations about the proposed rule review process. Further, I believe a major revision of this nature should receive full public scrutiny. These rule review provisions were hastily added to the

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budget without opportunity for adequate input from either standing committees or the full Legislative Council, or the public. Some of the standards and provisions are vague, which could result in unnecessary stress between the Legislature and the Executive.

The early framers of Wisconsin's Constitution were insistent upon placing the public interest above private or local interests, or what we might translate today as placing the public interest above special interests. Similarly, there was a great concern about the accumulation of too much power in "one hand," in one person or organization, or one branch of government over another. As a result, each branch of government was given specific and limited constitutional authority. The Legislature to "legislate" and the Governor to "faithfully execute the laws."

For this reason, basic separation of power and responsibilities, I am concerned about several of the provisions attached to the budget bill regarding administrative rules. First, the proposed procedures that require prior approval of all administrative rules would burden the Legislature with unnecessary details, thereby defeating the purpose for which administrative agencies were created. As I emphasized in my State of the State address, I favor a post-promulgation procedure which would select those rules most in need of review and avoid an inordinate increase in the legislative workload. I am hesitant to recommend a procedure that has the potential of creating a system which would demand additional state employees and necessitate a legislative bureaucracy to review the great majority of non-controversial rules.

Second, I am concerned about the susceptibility of the prior approval and suspension process to the influence of special interest groups. If a lobbyist succeeds in winning over a simple majority of one or two committees the proposed procedure could impede the implementation of a law and thereby frustrate the will of the full Legislature. Unnecessary delay in rule promulgation or extended suspension of a rule postpones the implementation of the Legislature's will. The Executive Branch is charged by Section V of the Wisconsin Constitution to expedite all measures which may be resolved upon by the Legislature.

Third, the prior approval process would cause additional delays in a rule promulgation process to the extent that emergency rules expire before regular rules can be promulgated. The proposed procedure could delay for over 32 months, the implementation of a bill passed by the entire Legislature.

The present statutory authority of standing committees to meet with agencies about proposed rules has succeeded in providing

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effective legislative input to the rulemaking process. The proposed prior approval process will achieve little more, but make the process more cumbersome at great legislative and agency expense.

I am concerned that there be a constitutional role for each branch of government in the suspension process. Rules have the force of law, so the rule suspension procedure should closely parallel the law making procedure, including involvement by the full Legislature and the Governor. I have grave concern about delegating to a few the power which constitutionally belongs to many.

After reviewing these procedures carefully, I find it necessary to essentially veto the entire new process, although I have not vetoed all of the JCRAR sections.

Confrontation need not be a result of this action. I believe that working together, we can develop oversight procedures which avoid unnecessary delay, provide for selective review, do not require more bureaucracy or state employes, do not result in more unnecessary rules, and which avoid constitutional problems. My office and administration is available to work with you to meet the legitimate legislative concerns of involvement in the rule making process and in addressing the problems of each of our constituents who must live with the results of our joint actions.

IV. HUMAN SERVICES

RESTRICTIONS ON CONSTRUCTION OF CORRECTIONAL INSTITUTIONS

Sections 854m and 854ma place restriction on the location of new correctional facilities near certain municipalities and recreational areas.

The continuing squeeze on the capacity of state correctional facilities has placed a heavy burden on both staff and residents. We must increase our correctional capacity in Southeastern Wisconsin to improve this unacceptable situation. I believe the people want and support building a new facility.

The siting of correctional facilities is always a difficult task. While there is a general consensus that a facility must be constructed, no such consensus has formed over where such a facility should be located. The significant statewide impact of identifying an appropriate site must be balanced with local concerns. An opportunity for local input will be established through the environmental impact statement review process. I would hope that concerned citizens would talk with people who live near correctional facilities before assuming the experience is totally negative.

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Ten sites are currently under examination as possible locations for a correctional facility. The language in these sections would preclude nine of these ten possible locations.

We must proceed by identifying a site which most closely matches siting criteria and facility needs to location. The proposed language would greatly limit the available options. I believe it is bad public policy for the legislature to etch in the statutes limitations on the siting of state facilities. Thus I am vetoing the restrictive language.

However, because the legislature has indicated a preference, I will attempt to follow legislative intent as expressed in this budget and direct the Department of Health and Social Services to establish Union Grove as the priority site for the new correctional facility.

PREVENTION AND WELLNESS GRANTS

Sections 493g, 493r, 1134g, 1134r, 2104(20)(e) and appropriation 20.435(8)(b) under Figure 20.005(2) continue the prevention and wellness program during the 1979-81 biennium.

I have vetoed the prevention and wellness grants program. Prevention projects should have been funded out of the \$980,000 allocated in 1979. Grants were selected in June, 1979 and these projects will be carried out in 1979-80 fiscal year. The Department should utilize existing resources such as community aids, youth aids and 314d public health funds to continue prevention efforts in the future. The veto results in \$980,000 GPR savings. yet another council.

The concept behind this program is one I strongly support. Prevention actions can save individuals and the state substantial costs in the future for medical bills. The effort clearly is an educational one. In reviewing this program's progress to date, I believe it has not been communicated effectively, the educational effort is yet to be done. The people are not yet accepting its thrust. Therefore, since priorities must be established and reductions in state spending made in some areas to permit increases in others, such as SSI payments, I have decided to veto this program. I will be open to reviewing this decision at a future time when the public seems more attuned to its intent and approach.

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COMMUNITY AIDS REPORTING REQUIREMENT

Section 2020(16) directs county social service departments and 51 boards to submit a report by January 15, 1981, indicating the number of persons by service category who were refused services or were served inadequately due to limited funds during CY 1980. This section also directs the department to use this data to determine the basis for allocating additional appropriations for CY 1982. I have vetoed this section.

Due to limited departmental resources, county reports on the number of persons refused services or given inadequate services cannot be verified. There will be no way to determine whether a county, social services department or board is reporting accurately or consistently.

Each county and board may differ in their definition of "need for service" and "served inadequately." Even if the data is reported accurately, the data will not be uniform from one county to the next. I do not support forcing local agencies to file more reports, especially if the data may not be usable.

It would be better to use objective and verifiable data in constructing a refined formula for CY 1982. I have directed the Department of Health and Social Services to improve and refine "need" indicators so that state aids to counties will be distributed as equitably as possible.

SUPPORTIVE HOME CARE SERVICES

Section 842d creates a requirement that county departments of social services must maintain fiscal year 1978-79 levels of funding for supportive home care services or lose allocated funds for income maintenance administration, AFDC payments to families, community aids for social services and the newly proposed youth aids.

I have vetoed this provision. The penalty for not maintaining such funding would be so great and the loss of AFDC benefits, income maintenance funds, and the social services programs, so devastating, that imposition of such a penalty is not feasible. A lesser technical problem also would exist if this section were retained, since counties budget on a calendar year rather than a fiscal year basis. I have directed the Department of Health and Social Services to establish a maintenance of effort policy for Title XX supportive home care as part of other proposed changes in implementing and expanding Title XX on a statewide basis.

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V. LOCAL GOVERNMENT

SNOW REMOVAL ASSISTANCE PROGRAM

Sections 659m, 659mn, 2046 (3), 2104 (46) (c) and appropriation 20.855 (4) (ar) under Figure 20.005 (2) would establish a one-time state grant program to provide assistance to local governments for excessive costs incurred due to the heavy snowfall during the winter of 1979.

I am exercising my veto over this program for the following reasons:

First, the program presumes that whenever local governments face unusual circumstances, such as a heavy snowfall, the state should step in to provide financial assistance. This establishes a questionable precedent by involving the state in what is traditionally a local function. The state remains ready to intervene in any emergency situation in which the health, welfare and safety of the citizen is threatened. An overexpanded local budget does not present such a threat. This is a local concern that should be dealt with at the local level through budgetary adjustments.

Second, proponents of this program have claimed that this assistance is primarily designed to address a cash flow problem. A state payment on December 31, 1979 is not necessary to ease cash flow since this is the time that most localities are receiving shared revenue payments as well as the bulk of their property tax revenues. In any case, a cash flow problem would be more appropriately addressed through a short-term, low-interest loan mechanism. These sections do not provide any such mechanism.

Third, the program is inequitable. A city such as Superior which annually receives approximately 200 inches of snow, and appropriately budgets for a great deal of snow removal, would not receive any assistance under this program. Conversely, the City of Madison, with less than one-quarter the snowfall of Superior, would receive a significant amount of assistance under the program. Such inequity in the administration of aids cannot be justified.

For these reasons, I have vetoed this program in its entirety. I believe state aid should only be sought as a last resort to local problems, and when sought, should be for problems that address a statewide concern. It should also be noted that shared revenues and local highway aids are increased substantially in this budget.

ROOM TAX EXEMPTION

Section 871sb would exempt from the optional town, village or city room tax persons accommodated at county expense as jurors.

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This veto leaves open the option for towns, villages and cities which have local room taxes to amend the room tax ordinances to provide exemptions. Municipalities which may enact such a tax in the future also have the option to provide exemptions. The state has authorized municipalities to charge a room tax if they choose. I do not believe the state should then tell municipalities what must be exempt. The concept of the state telling municipalities what it may charge counties is not supportable.

GENERAL RELIEF

Sections 834c, 834d, 2104 (20)(g) and 2104 (20)(h) establish procedural guidelines for agencies administering general relief.

I have vetoed these sections because they establish a state mandate to local governments without providing funds for implementation. Clearly there is a need for procedural safeguards in administration of general relief. However, since the state does not fund general relief, it should not dictate how it is to be operated by local agencies. Because of the growth in lawsuits in this area, I have instructed the Department of Health and Social Services to notify local agencies of recent court decisions which may impact on local relief programs and offer assistance in establishing procedural safeguards.

COUNTY SEPTIC TANKS

Section 994p (1) (c) mandates that the Department of Health and Social Services promulgate rules establishing minimum training and experience for county employees performing duties relating to the regulation of septic tanks.

I have vetoed this section. Counties are capable of establishing their own minimum requirements without state interference or overregulation.

Although I have not vetoed any other sections relating to septic tanks, I want to express some concern, as well as to provide direction in this area. Several legislators are concerned that the word change from "private domestic sewage treatment disposal system" to "private sewage system" expands the authority of the Department of Health and Social Services to inspect new types of systems. Let me assure you that this change is only a technical change to establish consistency in the statutes. It in no way authorizes the Department to expand its current regulatory functions to cover milk sheds or any other new item. To emphasize this point, I will direct that the Department interpret these sections to reflect that its authority has

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not been increased beyond systems currently regulated by the Department.

The major thrust of the septic tank language is to establish more responsibility and accountability for regulation of septic tanks at the county level. As the counties develop this capability, the state will be able to minimize its role and concentrate its efforts on providing technical assistance to selective areas. This type of partnership relationship between the state and local government will result in a more effective regulation program and could prevent serious health problems in the future.

Finally, I am very interested in exploring alternate septic tanks systems. Research is currently being conducted by the University of Wisconsin to determine innovative methods of disposing of waste materials. One such alternate system that is familiar to many people is the mound system. This system has potential in helping rural areas develop safe and trouble free septic tank systems. I am directing the Department to move forward in pursuing the feasibility of this alternate system.

I firmly believe that the legislation strengthens Wisconsin's regulation of septic tank systems through encouraging more involvement at the county level. This legislation was endorsed by numerous legislators as well as the County Board Association. I will closely monitor the legislation to guarantee that it is properly implemented.

VI. NATURAL RESOURCES

PUBLIC ACCESS TO CERTAIN LARGE LAKES

Section 761m requires the Department of Natural Resources to provide public access to all lakes of 400 acres or more with the exception of Lions Lake in Portage County.

I have exercised my veto authority on this section because it contains no funding provisions and is unnecessary. To retain it could lead to the imprudent transfer of bonding authority and funds to this program from priority fish, game and park programs now operating in the Department of Natural Resources. The need for public access to lakes is currently being met gradually, on a priority basis, by the Department. I see no reason for a change in this measured approach.

NON-POINT SOURCE POLLUTION ABATEMENT COUNCIL

Sections 39d, 976xr, 9762a and 2039 (5) establish and refer to a Non-Point Source Pollution Abatement Council.

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I am opposed to the proliferation of Councils when their function is adequately fulfilled by existing interdepartmental and citizen cooperation. The State Coordinating Committee for the implementation of the "Rural Clean Water Program" is in place, involved in the selection of priority projects and can be immediately involved in the determination of best management practices, and structural versus nonstructural solutions to the abatement of non-point source pollution. As a lead agency, the Soil Conservation Service is well suited to the role of facilitating two-way communication between farmers and agency personnel. Their long established and extensive network includes 200 representatives in 65 county offices in the state. Therefore, because of this apparent duplication and lack of genuine need, I have vetoed

VII. TAX POLICY AND LOCAL ASSISTANCE

SHARED REVENUE ACCOUNT FULL FUNDING

Section 905m provides an additional \$8.8 million to the Shared Revenue account in 1980-81.

I have vetoed this section in order to return the levels of funding in the shared revenue account to those agreed upon in the Revenue Bill, (Chapter 1, Laws of 1979). The additional \$8.8 million would have added to the base for the next biennium, increasing the pressure for a tax increase. Even without the \$8.8 million the level of funding still represents a significant increase in the amount of money that will be paid to municipalities through the shared revenue account. Cities will receive increases averaging 20% from 1978 to 1979 and about 13% from 1979 to 1980. This is compared to less than 2% per year over the previous few years.

Currently, three out of every four state tax dollars are returned to local governments in one form or another. If we are genuinely concerned about containing the growth of state government, it is appropriate that local governments share with the state the impact of lower state tax collections resulting from the recent tax cut package. Through this veto, shared revenue payments will continue to reflect state tax collections within the limits created when the shared revenue account was established.

SHARED REVENUE MINIMUM GUARANTEE

Sections 638g, 638r, 907p and 907x provide for an extension of minimum payment supplements to shared revenues at a level of \$12 million in both 1980 and 1981.

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I have exercised my partial veto in order to allow the payment supplement in both years of the biennium, but to limit the distribution of monies to \$8.5 million a year. I originally proposed funding for the first year of the biennium only. This veto will result in a reduction of \$6 million, \$2.5 million in 1979-80 and \$3.5 million in 1980-81, although all but nine affected communities will receive payments at least as large in 1980 as in 1979. This action agrees with the recommendation of the Joint Committee on Finance to extend the payment supplement. This veto makes it possible for the state's taxpayers to avoid a new open-ended funding commitment based on a 1975 aid formula that has since been changed.

If the distribution mechanism for shared revenues is not functioning properly, it should be corrected, and aid payments should be re-distributed accordingly. I have directed my staff and the Department of Revenue to review this formula before I submit the next biennial budget. It is clear to me at this time, however, that the state should be wary of committing future resources to payment supplements based on past aid distributions beyond a reasonable adjustment period.

SHARED REVENUES MANUFACTURING ADJUSTMENT

Sections 903y and 2046(1) modify the definition of full valuation for the aidable revenue distribution portion of the shared revenue formula. This modification is a one-time only exclusion of 50% of the value of manufacturing real estate, in the computation of the aidable revenue payments to municipalities.

I have partially vetoed these sections to make this change permanent and to exclude 100% of manufacturing real estate from the aidable revenues calculation. The veto will remove a disincentive to communities to attract new industry, thus adding more jobs to the local economy. This new definition of full valuation in shared revenues will aid any community with high concentrations of industrial property, not simply large cities with large amounts of manufacturing.

Since the present aidable revenue computation is based on a property value per resident measure, industrial communities appear to have a greater ability to pay with a high property value per resident. In fact, the opposite is true. Municipal costs in industrial communities are higher than in non-industrial communities.

Without this change, future relative tax rates will be forced inequitably higher in manufacturing communities due to operation of the "aidable revenues" formula.

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Only a full and permanent modification of the shared revenue aidable revenues computation can eliminate all consequences of the present formula. Until the formula is completely reviewed, this change will provide an incentive to localities to encourage industrial development without adverse shared revenue consequences.

HOME IMPROVEMENT TAX CREDIT

Sections 640h, 894m, 2046(2), 21.01(k) and appropriation 20.835(2)(d) under figure 20.005(2) create a home improvement income tax credit. The proposed credit of 1.5 percent of the cost of improvements would provide a maximum credit of \$45 a year for five years for a maximum total credit of \$225 on improvements of \$3,000 or more.

The proposal will not accomplish the stated objective of encouraging owners to improve their homes. The proposed credit of \$45 a year is just too small to offer any significant incentive for activity. The benefits would generally go to persons who would have made the improvement without the credit.

The fiscal effect of the proposal is deceptively low. The full fiscal impact is \$2.1 million in 1980-81, but grows to over \$31 million for the next 5 years. It grows to about \$10 million annually.

The proposal is arbitrary in providing a credit only to improvements of houses with a full value of \$50,000 or less (\$75,000 or less for rental units) without considering the owner's income or ability to pay. It also grants benefits for any kind of improvement regardless of merit. We should not be deluded into believing this is an energy saving program. There is nothing in the proposal that specifically encourages or limits improvements to those that are energy related.

The proposal could tend to delay the very improvements it intends to encourage. This occurs for two reasons. First, the credit would not apply to improvements undertaken prior to January 1, 1980. Second, the proposal would encourage persons to space out improvements in excess of \$3,000 over a five-year period. Because of the effect of inflation, it is likely that persons who attempt to utilize the proposed credit fully will be worse off than if they had ignored the benefits of the proposal.

The question of whether tax credits and their subsequent complication of the tax forms are good policy is also questionable. For all of these reasons I have vetoed this program.

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VIII. TRANSPORTATION

DESIGNATED HIGHWAY PROJECTS

Sections 2052(4), (5), (10), (11), (12), (13) and (14) of the budget identify specific highway improvement projects to be undertaken by the Department of Transportation. While I generally agree with the need for the projects listed, stipulating these specific projects in the budget needlessly complicates the ability to respond to changing transportation needs and changing availability of federal, local and state funds. I am also concerned that the precedent set by project enumeration will take this state back 80 years to when legislative trade-offs overwhelmed objective state policy. In the sections where fund allocations are also included, the provision could actually hinder the completion of any of the projects due to preliminary study requirements, increased prices, litigation, and freezing funds where not needed. Therefore, I am striking the provisions entirely to permit the efficient completion of projects on a logical basis in response to changing transportation needs and resources. I commend the legislature for adhering to the DOT priority list. I am directing the Department of Transportation to adhere to the consolidated priority construction projects list included in the budget bill in Section 2052(11) to the greatest extent possible consistent with these practical restraints and efficiency in project scheduling.

LINCOLN MEMORIAL BRIDGE

Sections 911n, 911nm and 2052(8)(d) require the Department of Transportation to expend \$800,000 in state segregated funds and \$3.2 million in federal funds to construct the Lincoln Memorial Bridge in Milwaukee. I have great concerns about the wisdom of the legislature specifying bridges to be built, because of the threat of undue political influence. This is a unique situation. It is time for Milwaukee to move. This project can be a keystone for the City and County of Milwaukee and their community groups to get together on a single plan for this bridge. Therefore, I have only vetoed the provision which required the new bridge to be an exact duplicate of the old bridge. This would destroy long term options to improve traffic capacity and safety on and beneath the structure.

This action should not be construed as a precedent for state payment of the nonfederal share for local bridges. The forces at work and the opportunity here are so unique that special consideration must be given.

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URBAN RAIL GRANT PROGRAM

Sections 322u, 911t and appropriation 20.39(1)(dr) under figure 20.005(2) authorizes the Department of Transportation to plan, design, engineer and make 80% grants from a \$1.0 million state appropriation for acquisition of right-of-way for urban rail systems.

While I agree that in this period of energy uncertainty we must explore every potential energy saving method, I feel this appropriation of monies for purchases of urban rail transit properties is premature. It also anticipates the result of an urban rail study currently being conducted by the Southeastern Wisconsin Regional Planning Commission. Investment in a viable urban rail transit system would require hundreds of millions of dollars. It would be unwise to spend \$1.0 million now before the urban rail study is completed and with no foreseeable expectation of carrying passengers. However, the potential need for urban rail transit does warrant examination by the Department of Transportation. Therefore, I have stricken only the provision and appropriation for purchasing real estate for urban rail transit systems, thereby retaining DOT involvement in planning, design and engineering. This action will also contribute to alleviating anticipated transportation fund shortfalls.

HARBOR ASSISTANCE PROGRAM

Section 322v and appropriation 20.395(1)(eq) under figure 20.005(2) establishes a state transportation fund appropriation for \$1.0 million for harbor improvements.

I support the harbor assistance program and the authorization of \$2.0 million in bond revenue from the capital improvement fund which will provide grants to local governments for costs related to harbor dredging and dock wall repair and maintenance. However, I am unable to approve the additional \$1.0 million that is taken directly from the critically depleted Transportation Fund resources. I am confident that the bonding authority, in conjunction with available federal funds, will provide Wisconsin ports the support needed for continued economic development.

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MERGER OF TRANSPORTATION DISTRICTS

Sections 1z, 2006m(6) and 2052(9) of the budget prohibit the merger of transportation districts 2 and 9 and require the Department of Transportation to re-establish the district boundaries as they existed on July 1, 1978. The district merger was studied as a part of an overall reorganization of the Department of Transportation. It was approved by Acting Governor Martin Schreiber. I support the merger because it will improve the management of the Department of Transportation and save tax dollars. The statistics are quite compelling.

The consolidation will ultimately result in a reduction of 37 positions with an estimated salary savings of \$840,000 yearly and a total annual savings of \$1,140,000. The consolidated district, when housed in one headquarters facility, will allow significant efficiencies in personnel and in the use of equipment and will permit the Department to deal with the often interrelated transportation needs of southeastern Wisconsin. Therefore, I am striking the provisions that prohibit the merger, and require restoration of the old boundaries.

I have directed the Department of Transportation to make a thorough study of alternate sites for the merged district headquarters and report the results of the study to the Building Commission. This site study will consider ways to conserve energy and cost in doing district work, employe home locations and ways to conserve energy in travelling to work, relative population concentrations, methods to respond to the distinctive urban and rural transportation needs of the consolidated district and other relevant considerations.

LAPSE OF TRANSPORTATION FUNDS

Sections 322s, 351 and 354 state that the unencumbered balances of appropriations for transportation aids supplements, major highway development and existing highway improvements are to be transferred to the general fund at the end of each fiscal year during the 1979-81 biennium.

I am vetoing these provisions primarily because of the detrimental effect such an action would have on management of the state's highway program. The highway appropriations affected are continuing in nature; that is, any funds not technically encumbered at the end of a year remain available for highway purposes. While funds are not always encumbered on a project at the end of a year, the designated purpose of all highway funds is always made prior to the close of a fiscal year. The highway program differs from other state

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programs in this respect. This type of continuing availability of appropriated highway funds is critical in the development of a project which may span a period of several biennia. Lapsing unencumbered funds from highway appropriations to the general fund undermines the continuity needed in developing a long range highway program. It also might encourage less prudent commitment of highway funds in order to avoid their lapse. This would be especially unwise if the fund continues to be in deficit.

REQUIRED COST BENEFIT STUDIES ON ALL HIGHWAY PROJECTS

Section 911nt requires a ranking of all highway construction projects involving major development, improvement to existing highways, bridges and local roads on a cost benefit basis.

I am vetoing the requirement that all highway projects be ranked. The present selection technique utilized by DOT in determining highway project priorities incorporates certain cost benefit factors. It also provides for public input and management of available state, federal and local resources. I am retaining a provision in the budget which requires cost benefit studies for all major development projects.

IX. OTHER

REVENUE SHARING FOR POINT SOURCE GRANTS

Sections 277q and in Figure 20.005(2) appropriation 20.370(4)(ce) direct federal revenue sharing funds after September 30, 1980 in excess of \$6,847,000 each fiscal year, to supplement state funds in the point-source pollution abatement grant program.

I am vetoing this provision because if the Congress continues state revenue sharing, the funds should continue to be directed for school aids, thereby relieving GPR funds for other programs as determined by the Legislature or returned to the people through the People's Escrow Fund. Funding of this point source pollution abatement grant program should be established with specificity by the Legislature based on need and the current availability of funds.

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COMMUNITY DEVELOPMENT FUND

Sections 172, 607m, 680p, 693m, 697n, 705m, 714d and appropriations 20.545(5) and 20.880 under Figure 20.005(2) authorize the Department of Local Affairs and Development to act as a development bank in purchasing stocks or bonds issued by community development corporations in order to help finance development projects in economically depressed areas of Wisconsin, with funding from revenue sharing resources.

I share the concern and growing awareness of the value of the community economic development approach to persistent problems of poverty, unemployment, disinvestment and deterioration of the quality of life in blighted urban and rural areas. At a later date I will be presenting suggestions to the Legislature on how best to develop a responsible program on economic and community development based on cooperative state, local and private efforts. However, I have reservations about both the substance and funding of this specific proposal.

The experience of other states indicates that three elements are essential to ensuring the long range success of the community economic development approach: capitol investment, organizational support, and technical assistance. The proposal passed by the Legislature includes only the first of these components.

Beyond these concerns of substance, I am exercising my veto authority mainly because of the indefinite nature of the program's funding. The proposal calls for the use of federal revenue sharing dollars which may no longer come into the state after September 30, 1980. Should the Congress reauthorize revenue sharing funds, I believe they should continue to go into the school funds, freeing GPR funds for other state needs or for redistribution to the people through the People's Escrow Fund. The Legislature should determine uses for these funds at the time they become available.

X. TECHNICAL ADJUSTMENTS

HOUSING GRANT PLAN APPROVAL PROCESS

Section 2035(1)(b) provides that the housing grant plan be submitted to the Joint Committee on Finance more than 60 days after the effective date of the bill.

My technical veto of the 60 day requirement will allow the plan to be submitted and approved in September of this year rather than December.

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HIGHWAY COSTS ALLOCATION STUDY

Section 2052(3) of the budget requires the Department of Transportation to submit a report of a highway cost allocation study not later than 90 days after the completion of the highway cost allocation study by the federal Department of Transportation. However, it goes on to state incorrectly that the federal report is due January 1, 1981. Federal law (Public law 95-599, sec. 506 of the Highway Revenue Act of 1978 portion of the Surface Transportation Assistance Act of 1978) actually requires completion of the federal study by January 15, 1982. I have, therefore, stricken the technically incorrect date. The Department of Transportation will still be required to submit its report 90 days after final completion of the federal report.

ADVANCE PLANNING FUNDS FOR PRISONS

Section 2006m(12) provides \$500,000 in advance planning funds for two prisons.

My partial veto of this section reaffirms an appropriation originally made in 1977 and corrects a drafting error in the amount of funds available. It has the effect of restoring \$1.5 million in advance planning funds which must be approved by the Joint Committee on Finance for use by the Building Commission in preparing preliminary plans for two prisons.

LOANS TO NON-GPR AGENCIES FOR ALTERNATIVE ENERGY DEMONSTRATION PROJECTS AND ADVANCE PLANNING

Section 2006(m)(8) permits the Building Commission to develop procedures for issuing loans for energy conservation to facilities not funded by general purpose revenues.

Restricting the use of alternative energy funds to agencies and facilities not funded from GPR revenues unnecessarily limits access to these funds for GPR funded agencies. As a matter of public policy, I wish to explore as broadly as possible alternative energy sources and uses. In order to preserve this option, I am exercising my partial veto of this section.

DRAFTING ERROR

Section 91 retains a renumbering of the statutes which is unnecessary and results in two sections having the same number.

This necessary technical veto deletes this renumbering error.

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FUNDING TO MINOR PROJECTS

Section 79 requires that minor projects be funded under facility operations in the Department of Administration.

This is a necessary technical veto which will allow minor projects to be funded under Building Trust Funds as was intended.

BUILDING DEPRECIATION RESERVE

Section 952 repeals language which delineates the complex manner in which federal funds are obtained to build employment service facilities.

My veto action will retain this language which, although currently not in use, is necessary to prevent a potential misuse of federal funds provided for facilities amortization. Although I originally recommended repeal of this provision, my recommendation was based on the premise that it was part of a larger package which was deleted from the final budget bill. I now think it wise to retain this language, pending further study of the entire question.

Sincerely,
LEE SHERMAN DREYFUS
Governor

AMENDMENTS OFFERED

Senate amendment 1 to **Senate Bill 38** by Senator Radosevich.

Senate amendment 1 to senate substitute amendment 1 to **Senate Bill 150** by Senator Offner.

Senate amendment 1 to **Senate Bill 178** by Senator Thompson, by request of the Wisconsin Occupational Therapy Association.

Senate amendment 2 to **Senate Bill 245** by Senator Radosevich.

CHIEF CLERK'S CORRECTION

Suggested by Legislative Reference Bureau

Senate Bill 79

In enrolling, the underscored comma was deleted from the first line of statute section 350,12 (4) (b) 4, as shown on page 395, line 12, of Engrossed 1979 Senate Bill 1 and on page 384, line 18, of senate substitute amendment 1 to 1979 Senate Bill 79.

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Senate Bill 79

1. In section 25.17 (1) (aw) of the statutes, a semicolon was substituted for the final period.

2. In section 71.09 (7) (p) (intro.) of the statutes, "one-twelfth" was substituted for "one-twelth".

3. In section 144.025 (2) (L) of the statutes, "rule" was substitute for the first "rules".

4. In section 144.431 (1) (a) of the statutes, after "144.47" a period was inserted.

5. In section 2104 (39) (a), "takes effect on" was substitute for "takes effect of".

CHIEF CLERK'S REPORT

The chief clerk records:

Senate Bill 72

Correctly enrolled and presented to the Governor on July 31, 1979.

Senate Bill 79

Correctly enrolled and presented to the Governor on July 24, 1979.