



# STATE OF WISCONSIN

# Senate Journal

## Ninety—Second Regular Session

11:30 A.M.

TUESDAY, February 14, 1995

The Senate met.

The Senate was called to order by Senator Brian D. Rude, President of the Senate.

### LEAVES OF ABSENCE

Senator Jauch asked unanimous consent for a leave of absence for Today's session for Senator Adelman. Granted.

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

Senators Andrea, Breske, Buettner, Burke, Chvala, Clausing, Cowles, Darling, Decker, Drzewiecki, Ellis, Farrow, Fitzgerald, George, Helbach, Huelsman, Jauch, A.Lasee, Leean, Moen, Moore, Panzer, Petak, Plewa, C.Potter, Risser, Rosenzweig, Rude, Schultz, Weeden, Wineke and Zien – 32.

Absent – None.

Absent with leave – Senator Adelman – 1.

The Senate stood for a moment of silent meditation.

The Senate remained standing and Senator Leean led the Senate in the pledge of allegiance to the flag of the United States of America.

### INTRODUCTION AND REFERENCE OF RESOLUTIONS AND JOINT RESOLUTIONS

Read first time and referred:

#### Senate Joint Resolution 7

Relating to: the right to keep and bear arms (first consideration).

By Senators Zien, Rude, Drzewiecki, Breske, A. Lasee, Schultz, Moen, Petak, Wineke, Decker, Fitzgerald, Huelsman, Andrea, Farrow, Buettner, Clausing and Darling; cosponsored by Representatives Jensen, Zukowski, Kreibich, Johnsrud, Lehman, Ward, Owens, Otte, Handrick, Harsdorf, Musser, Hasenohrl, Ladwig, Turner, Dobyns, Kaufert, Meyer, Hoven, Gunderson, Porter, Underheim, Freese, Ott, Albers, Hahn, Silbaugh, Nass, Huebsch, Coleman, Schneiders, Olsen, Skindrud, Duff, Gard, Wood, Ourada, Baldus, Grothman, Linton, Seratti, Brandemuehl, Walker, Grobschmidt, Ziegelbauer, Baumgart, Kelso, Lorge, Green, F. Lasee, Reynolds, Boyle and Schneider.

To committee on **Judiciary**.

### INTRODUCTION, FIRST READING AND REFERENCE OF BILLS

Read first time and referred:

#### Senate Bill 61

Relating to: public hearings and referenda on the establishment of charter schools.

By Senators Wineke and Moen; cosponsored by Representatives R. Potter, Robson, Ryba, Bell, Grobschmidt, Baldwin, Morris–Tatum and Boyle.

To committee on **Education and Financial Institutions**.

#### Senate Bill 62

Relating to: pupil rights in research, experimental programs and testing.

By Senators Drzewiecki, Rosenzweig, Petak, Breske, Helbach, Farrow, Schultz and Darling; cosponsored by Representatives Porter, Hoven, Plache, Schneiders, Coleman, Musser, Harsdorf, Underheim, Goetsch, Johnsrud, Brandemuehl, Lehman, Ourada, Albers, Nass, Silbaugh, Ainsworth, Hahn, Freese, Dobyns, Skindrud, Seratti, Grothman, Owens, Walker, Lazich, Otte, Zukowski, Handrick, Gunderson, Kelso, F. Lasee, Huebsch and Lorge.

To committee on **Education and Financial Institutions**.

#### Senate Bill 63

Relating to: materials eligible for assistance from the recycling market development board.

By Senators Cowles, Leean, A. Lasee, Schultz, Zien, Burke and Clausing; cosponsored by Representatives Johnsrud, Porter, Duff, Harsdorf, Hubler, Bock, Ainsworth, Vrakas, Albers, Zukowski, Reynolds, Brancel, Musser, Goetsch, Robson, R. Young, Baldus, Notestein, Boyle and Springer.

To committee on **Environment and Energy**.

#### Senate Bill 64

Relating to: damage to transmission facilities and providing penalties.

By Senators Cowles, Panzer, Burke and Schultz; cosponsored by Representatives Duff, Baumgart, Porter, Schneiders, Goetsch, Ainsworth, Silbaugh, Reynolds, Notestein and Ryba.

To committee on **Environment and Energy**.

#### Senate Bill 65

Relating to: the Wisconsin morning milk program and making an appropriation.

By Senators Clausing, Breske, Chvala, Moore, Burke and Jauch; cosponsored by Representatives Baldus, Baumgart, L. Young, Lorge, Wilder, Springer, Black, Hahn, Ryba, Carpenter, R. Young, Robson, Gronemus, Boyle and Hasenohrl.

To committee on **Education and Financial Institutions**.

**Senate Bill 66**

Relating to: restitution for graffiti vandalism.

By Senators Plewa, Farrow, Andrea, Buettner, Burke, Cowles, Darling, Fitzgerald, A. Lasee, Leean, C. Potter, Rosenzweig and Schultz; cosponsored by Representatives Krusick, Ainsworth, Bock, Brandemuehl, Carpenter, Dobyns, Goetsch, Grobshmidt, Grothman, Handrick, Hasenohrl, Kreibich, Ladwig, Musser, Nass, Notestein, Ott, Ryba, Schneiders, Seratti, Skindrud, Urban, Wasserman and Ziegelbauer.

To committee on **Judiciary**.

**Senate Bill 67**

Relating to: termination of parental rights on the grounds of continuing denial of visitation by the juvenile court.

By Senators Rosenzweig, Darling, Fitzgerald and Weeden; cosponsored by Representatives Klusman, Krusick, Duff, Dobyns, Ourada, Hasenohrl, Underheim, Ziegelbauer, Goetsch, Hahn, Kreibich, Silbaugh, Lazich and Owens.

To committee on **Judiciary**.

**Senate Bill 68**

Relating to: determining whether a child who is alleged to be in need of protection or services needs protection or services that can be ordered by a juvenile court.

By Senators Rosenzweig, Darling, Burke and Fitzgerald; cosponsored by Representatives Ladwig, Krusick, Klusman, Duff, Ziegelbauer, Dobyns, Goetsch, Underheim, Kreibich, Lazich, Hasenohrl, Silbaugh, Hahn, Ward, Owens and Ourada.

To committee on **Judiciary**.

**Senate Bill 69**

Relating to: the burden of proving abandonment as a ground for termination of parental rights.

By Senators Rosenzweig, Darling, Buettner and Fitzgerald; cosponsored by Representatives Ladwig, Krusick, Duff, Klusman, Ziegelbauer, Dobyns, Hahn, Silbaugh, Goetsch, Hasenohrl, Lazich, Kreibich, Owens, Underheim and Ourada.

To committee on **Judiciary**.

**Senate Bill 70**

Relating to: substitution or disqualification of a judge who has disapproved a permanency plan under the children's code.

By Senators Rosenzweig, Darling, Burke and Fitzgerald; cosponsored by Representatives Ladwig, Krusick, Klusman, Duff, Ziegelbauer, Dobyns, Hasenohrl, Silbaugh, Goetsch, Hahn, Owens, Kreibich and Ourada.

To committee on **Judiciary**.

**REPORT OF COMMITTEES**

The committee on **Business, Economic Development and Urban Affairs** reports and recommends:

**Senate Joint Resolution 3**

Relating to: authorizing a sports lottery, with the proceeds dedicated to athletic facilities (2nd consideration).

Adoption.

Ayes, 3 – Senators Petak, Darling and Plewa.

Noes, 1 – Senator Buettner.

George Petak  
Chairperson

The committee on **Health, Human Services and Aging** reports and recommends:

**Senate Bill 13**

Relating to: visitation privileges of grandparents and stepparents if one or both parents of a minor child are deceased.

Introduction and adoption of Senate amendment 1.

Ayes, 7 – Senators Buettner, Rosenzweig, Fitzgerald, Zien, Moen, Breske and Moore.

Noes, 0 – None.

Passage as amended.

Ayes, 7 – Senators Buettner, Rosenzweig, Fitzgerald, Zien, Moen, Breske and Moore.

Noes, 0 – None.

Carol Buettner  
Chairperson

The committee on **Human Resources, Labor, Tourism, Veterans and Military Affairs** reports and recommends:

MCCALLUM, LAURIE R., of Madison, as a member of the Personnel Commission, to serve for the term ending March 1, 1999.

Confirmation.

Ayes, 5 – Senators Zien, Lasee, Fitzgerald, Breske and Decker.

Noes, 0 – None.

**Senate Joint Resolution 2**

Relating to: supporting the veterans rehabilitation program.

Adoption.

Ayes, 5 – Senators Zien, A. Lasee, Fitzgerald, Breske and Decker.

Noes, 0 – None.

David Zien  
Chairperson

The committee on **Senate Organization** reports and recommends:

**Assembly Joint Resolution 1**

Relating to: the life and public service of Cletus Vanderperren.

Concurrence.

Ayes, 5 – Senators Ellis, Rude, Farrow, Jauch and Risser.

Noes, 0 – None.

**Assembly Joint Resolution 11**

Relating to: the life and public service of Jerry Wing.

Concurrence.

Ayes, 5 – Senators Ellis, Rude, Farrow, Jauch and Risser.

Noes, 0 – None.

**Assembly Joint Resolution 18**

Relating to: the service to the Assembly of Thomas T. Melvin.

Concurrence.

Ayes, 5 – Senators Ellis, Rude, Farrow, Jauch and Risser.

Noes, 0 – None.

**Assembly Joint Resolution 2**

Relating to: the life and public service of Fred Reger.

Concurrence.

Ayes, 5 – Senators Ellis, Rude, Farrow, Jauch and Risser.

Noes, 0 – None.

**Assembly Joint Resolution 3**

Relating to: the life and public service of Thomas P. Fox.

Concurrence.

Ayes, 5 – Senators Ellis, Rude, Farrow, Jauch and Risser.

Noes, 0 – None.

**Senate Joint Resolution 4**

Relating to: proclaiming February 1, 1995, National Girls and Women in Sports Day.

Adoption.

Ayes, 5 – Senators Ellis, Rude, Farrow, Jauch and Risser.

Noes, 0 – None.

Michael Ellis  
Chairperson

The committee on **State Government Operations and Corrections** reports and recommends:

**Assembly Joint Resolution 6**

Relating to: congressional explanations of unfunded mandates.

Concurrence.

Ayes, 5 – Senators Drzewiecki, A. Lasee, Fitzgerald, Moen and Breske.

Noes, 0 – None.

**Assembly Joint Resolution 8**

Relating to: requesting Congress to grant to the President the authority to line-item veto legislation.

Concurrence.

Ayes, 5 – Senators Drzewiecki, A. Lasee, Fitzgerald, Moen and Breske.

Noes, 0 – None.

Gary Drzewiecki  
Chairperson

**PETITIONS AND COMMUNICATIONS**

**State of Wisconsin  
Senator Michael Ellis**

February 9, 1995

To the Honorable the Senate:

Pursuant to Senate Rule 20, I have made the following appointment to a Senate Committee:

Joint Committee for Review of **Administrative Rules**;  
Senator Brian Burke, to replace Senator Andrea;

With regards to members of the minority party, the appointments reflect recommendations of that caucus.

Sincerely,  
MICHAEL ELLIS, CHAIR  
Committee on Senate Organization

**State of Wisconsin  
Senator Bob Jauch**

February 9, 1995

To the Honorable, the Senate:

Pursuant to section 9145, 1993 Wisconsin Act 437, I have made the following appointment:

**School Funding Commission**, Senator Joseph Wineke.

Sincerely,  
BOB JAUCH  
State Senator

**State of Wisconsin  
Department of Health and Social Services**

January 31, 1995

The Honorable, The Legislature:

1993 Wisconsin Act 290, Section 10, directs the Department of Health and Social Services to carry out a study of nursing home

design and construction and their relationship to the formula for determining approvable proposed bed costs under the Resource Allocation Program. Attached is the Department's study for distribution to the appropriate standing committees of the Legislature as provided under s. 13.172(3) of the statutes.

Sincerely,  
RICHARD LORANG  
Acting Secretary

Referred to committee on **Health, Human Services and Aging**.

**REFERRALS AND RECEIPT OF  
COMMITTEE REPORTS CONCERNING  
PROPOSED ADMINISTRATIVE RULES**

**Senate Clearinghouse Rule 94-128**

Relating to certification requirements for waterworks, wastewater treatment plant and septage servicing operators.

Submitted by Department of Natural Resources.

Report received from Agency, February 10, 1995.

Referred to committee on **Environment and Energy**, February 14, 1995.

**Senate Clearinghouse Rule 94-173**

Relating to the education, experience and examination requirements for registration as a landscape architect and as a professional geologist.

Submitted by Department of Regulation and Licensing.

Report received from Agency, February 08, 1995.

Referred to committee on **Business, Economic Development and Urban Affairs**, February 14, 1995.

**Senate Clearinghouse Rule 94-176**

Relating to notification of victims of an opportunity to provide direct input into the parole decision.

Submitted by Parole Commission.

Report received from Agency, February 09, 1995.

Referred to committee on **Judiciary**, February 14, 1995.

The Chair, with unanimous consent, appointed Senators Ellis, Jauch and Leraan to escort the Governor to the joint assemblage of the Senate and the Assembly to give his Budget Address.

Senator Ellis, with unanimous consent, asked that the Senate recess for the purpose of proceeding to the Assembly Chambers to hear the Governor's Budget Message and upon the rising of the joint convention adjourn until Wednesday, February 15 at 10:00 A.M..

The senate stood recessed.

11:38 A.M.

**RECESS**

The Senate proceeded in a body to the Assembly Chamber to meet in Joint Convention to receive the Budget Message.

**IN ASSEMBLY CHAMBER  
IN JOINT CONVENTION**

The President of the Senate in the Chair.

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

Members of the Supreme court, Constitutional officers, Cabinet members, President Rude, Speaker Prosser ...

Ladies and gentlemen ...

Well, we did it.

This budget provides a \$1 billion tax cut for the taxpayers of Wisconsin ...

The largest tax cut in state history ...

And we did it without raising the sales tax ... And without raising the income tax.

In fact, I am proposing that we cut the income tax rate for most working people in this state to 6.87% ... The lowest that rate has been since 1931.

Happy Valentine's day!

This document is my Valentine to the taxpayers of Wisconsin.

It is the culmination of eight years of hard work and innovation ...

It is the final step in a long-fought battle for property tax relief.

Everybody said we couldn't do it.

Everybody said we couldn't take \$1 billion off the property tax without raising the sales tax ... And without raising the income tax.

And I am here today to tell you that we did it.

When I traveled around this state last fall, I told the people of Wisconsin that the state would assume two-thirds of school costs.

We did.

I told them we would do this without a general tax increase.

We did.

I told them we were going to completely reorganize state government ... Create a new government for a new century.

We did ... With 3,000 fewer state employees as a result.

I told them technology would be our partner in making this new government more accountable and more accessible.

And it is.

And I told them we were going to put forward major initiatives in education, welfare, juvenile justice and corrections.

And we did.

A lot of you supported me on all of these issues last fall.

The people spoke loud and clear on November 8 ... And this budget is the result of their mandate.

This budget is a defining document ... One that will define each and every one of us in this room.

This budget will define whether you are an agent of change ... Or an ally of the status quo.

It will define whether you are looking to the future ... Or looking over your shoulder.

This budget will separate those who — when they are faced with a challenge — see a problem ... And those who see an opportunity.

This budget does nothing less than position Wisconsin to lead the way into the next century.

It does this by turning a challenge into an opportunity.

Here is the challenge we faced: to come up with an additional \$1 billion for schools in this state.

\$1 billion dollars. That's a lot of money.

Now some people, when they hear \$1 billion dollars, their first response is "raise taxes!" ... "you've got to raise taxes!"

It doesn't even cross their minds that there might be another way. And it completely escapes them that we've tried their way before:

In 1911, Wisconsin created the nation's first income tax ... For property tax relief.

Did it work? No.

In 1961, we raised the income tax and the sales tax ... For property tax relief.

Did it work? No.

In 1969, we raised the sales tax for property tax relief. In 1982, we raised the sales tax again.

Did it work? No.

Raising taxes to cut other taxes just does not work.

What we accomplish in this budget is unprecedented. For the first time in Wisconsin history, we are cutting the property tax without raising other taxes.

Now, when I sat down to work on this budget, I decided to see it as a one-billion opportunity to improve education in this state ... And to completely re-shape and re-define state government.

It wasn't easy. We had to make some very tough decisions. We had to make some cuts.

I am going to be honest with you. There is some pain in this budget ... Pain that we will all have to share.

But we gave every cut every consideration. They were not arbitrary.

I have been working on this budget since last April ... For almost an entire year.

We have never spent more time putting a budget together ... Literally thousands of hours combing through agency budgets line by line ... Looking for efficiencies ... Looking for programs and positions that are no longer fundamental to our state responsibilities.

As I said, it wasn't easy. But this budget is straightforward ... It is honest ... It is deliberate ...

It turned a tremendous challenge into a tremendous opportunity ...

And it provides the largest single tax cut in the history of this state.

How did we do it?

Here was the problem:

• We had to meet our commitment to pick up two-thirds of the school costs for the state ... A commitment of \$1.2 billion over the next two years.

This means school funding will have to increase by more than \$250 million for the 1995-96 school year ... And by more than \$950 million for the 1996-97 school year.

• Meeting other advance commitments such as shared revenues, county mandate relief and community aids will

require funding increases of about \$160 million over the next two years.

In sum, meeting our commitments will mean funding increases of about \$400 million in the first year of this biennium ... And approximately \$1 billion in the second year.

Revenue growth from our growing economy will cover our obligations for the first year.

The big budget challenge is funding the additional \$1 billion for school aids and other programs in the second year of the budget.

This is how we're going to do it:

1. Actions we are taking this year will provide savings of \$232 million to carry into the next two years.

- This includes a hiring freeze for all state agencies.
- It also includes \$128 million in medical assistance savings. Wisconsin is recognized as the best in the nation for managing our medicaid program.

2. We are cutting state agency budgets by 5% in the first year ... And 10% in the second. This along with savings from reorganization will produce \$158 million.

3. We expect about \$407 million in revenue growth from our growing economy.

4. We are saying no to almost all agency requests for increased spending.

5. We are closing tax loopholes and making the tax code more equitable, generating \$60 million.

6. And we are increasing the school levy tax credit to provide \$150 million for the 1996-97 school year.

This is how we fund the \$1 billion commitment.

Not only do we meet the commitment ... We are also able to reduce the top income tax rate from 6.93% to 6.87% ... Which is the lowest rate since the great depression.

We are not shifting the spending and tax burden on to county and local governments.

- In fact, we are increasing increases shared revenues by \$15 million next year to \$931 million.
- We are also increasing funding for the expenditure restraint program for local governments by \$4 million ... To \$48 million.
- I made these commitments to local governments ... And I am sticking to them.

We are also taking major steps to relieve mandates on local governments. Just as I am asking the federal government to give states the freedom to conduct our own business ... I am giving the same freedom to Wisconsin's local governments.

- The state currently picks up 44% of circuit court costs. This budget picks up 90% ... More than doubling the state's share.
- We are lowering the age of majority for felony offenses to 17, meaning the state will assume the costs of incarcerating these young criminals.
- We are increasing funding for the county mandate relief account from \$4.7 million this year to \$20.2 million over the next two years.
- And we are relieving the counties of the mandate to provide funding for general relief.

This budget re-defines the role of state government. General relief is not a state responsibility. We didn't have anything to do with it until the early 1980's ... And the legislature tried to end it in 1993.

If the counties wish to continue it, they are receiving more than \$200 million in shared revenues. It is up to them. The state will provide only enough funding for emergency medical care.

This is the solution. This is how we are meeting our commitments ... How we are providing real property tax relief.

This budget is complex ... It is comprehensive ... It is controversial ... But it is right.

It is the culmination of everything we have been able to accomplish over the past eight years:

- We built an economy that is the envy of the nation ... An economy that has given us the freedom to innovate and lead the way in welfare reform, education reform, environmental protection and crime prevention.

- We have balanced the books and controlled spending for the past eight years.

- We have actually reduced the per capita state tax burden ... One of only a handful of states in the nation to do so.

- We cut income taxes ...
- We eliminated inheritance and gift taxes ...
- We retained a 60% exclusion of the capital gains tax ...
- We have cut the unemployment compensation tax three times.

- And this year I am proposing to cut the income tax rate once again.

We are the only state taking \$1 billion off the property tax ... And cutting income taxes at the same time.

Once again, Wisconsin is actually doing what everyone else is only talking about.

In eight years of solid economic growth and tax cuts, the only tax that has eluded our grasp is the property tax.

Not anymore.

Today we take the final step in our hard-fought battle for property tax relief.

Today we tell the taxpayers of Wisconsin ... We did it.

And we never could have done it without cost controls.

Eight years ago I stood before this legislature and said we needed to control local spending before we could control property taxes.

Seven years ago I stood here and said we needed to control local spending before we could control property taxes.

Six years ago I stood here and said we needed to control local spending before we could control property taxes.

I think you get the picture.

After seven long years — and thanks to the leadership of people like Senate Majority Leader Mike Ellis ... Senator Joe Leean ... And Representative Ben Brancel — we finally won the cost control battle.

Why are cost controls so important?

Take a look at state school aid increases since I have been Governor.

Every year I have been in office, direct state aid to local schools has increased ... A total of more than \$1 billion in the last eight years.

Schools make up the largest portion of your property tax bill.

So, logic would tell you — if the state keeps putting more and more money into schools — eventually you should see your share of the costs go down.

This hasn't happened ... As any property taxpayer in the state can tell you.

Why hasn't it happened? Because there were no controls on local school spending. The more money the state put in ... The more money schools spent.

What a difference cost controls make.

1990 ... 1991 ... 1992 ... Each year the state put more money into schools ... And each year property taxes kept going up.

But look at 1993. Cost controls begin.

1994 ... 1995 ... And here's my favorite — 1996.

If we had established cost controls in 1987 — when I first asked for them — property taxpayers in this state would be paying 25% less than they are right now.

Cost controls work ... And I want to see them made permanent.

I applaud the State Assembly for voting to make them permanent with the leadership of Speaker David Prosser and Majority Leader Scott Jensen.

If we are truly serious about property tax relief, we cannot do it without cost controls.

They are simply common sense.

Facts and figures do not lie:

This is where we were headed without cost controls.

In 1993, when cost controls went into affect.

In 1994, when we froze the levy.

Here's today, as the state assumes two-thirds of school funding.

The process that started with cost controls in 1993 means that Wisconsin property taxpayers will pay \$1.5 billion dollars less in property taxes by the time they receive their 1996 property tax bills.

They will see an average reduction of 26% from their 1995 school property tax bill ... And every school district in the state will see property tax relief.

This means a reduction of \$302 for the average Wisconsin homeowner ... A \$388 reduction for the average small business owner in Hayward ... A \$946 reduction for the average farm owner in Iowa county.

Let me show you a map that shows you where the school levies are going down.

This is the largest tax cut in state history.

This is the billion dollar budget challenge that has turned into the opportunity of a lifetime for Wisconsin ...

The opportunity to put money back where it belongs, back in the pockets of Wisconsin taxpayers ...

The opportunity to build a better education system for our children ...

And the opportunity to build a better state government for the future ... A new government for a new century.

## **TECHNOLOGY**

Our partner in this new government is going to be technology ... Which is why we are creating a new \$40 million information technology fund.

New technology will revolutionize state government.

It will also help revolutionize our schools:

- We are going to use the technology fund to subsidize state loans to school districts for distance learning projects.

- We are setting up a \$4 million competitive grant program called pioneering partners to buy new technology for schools.

- And we are investing \$400,000 of the new technology fund in the uw system to expand interactive video capabilities between campuses ... Saving money and opening untold opportunities for all the citizens of this state.

## **EDUCATION**

Creating opportunities instead of standing in the way. That's the role state government should play ... And this is especially true when it comes to education.

My approach to this budget was very simple: our schools and our property taxpayers come first. Whatever is left goes to the rest of state and local government.

And from here on out, all state budgets will be developed the same way: our first priority is funding the future ... Our schools. Everything else comes after that.

And this funding is going to be fair ... It is going to be equitable.

We are developing a new distribution formula that will make sure students — no matter where they live in the state — have equal opportunities for a quality education.

Every school district in the state will receive more state aid ... And our poorest school districts will receive additional state aid plus new flexibility to bring their per pupil spending closer to the state average.

The taxpayer investment in education in this state is huge.

It is the single largest item in the state budget ... In this budget alone, education moves from being 29% to 40% of the total budget.

And education is quite simply the key to Wisconsin's success in the future.

What we do in education affects every single person in this state.

And we are going to make education accountable to the people of this state.

That is why I am proposing a new Department of Education.

You know, this proposal is being called a power grab.

Well, that's partly right.

What we are doing is giving power back to the parents ... The teachers ... And the taxpayers of Wisconsin.

We are changing the mission of the State Education Department.

This new Department will be a new voice of leadership committed to education reform, committed to meeting the demands of the 21st century.

This new Department will be a voice for the parents and teachers and taxpayers of this state ... Not a voice for the education establishment.

We are investing an additional \$1.2 billion in the future of our schools ... In the future of our children.

We cannot invest that \$1.2 billion in an establishment that is mired in the past.

We are changing education in this state. We are changing to meet the needs of the future.

Our school-to-work and youth apprenticeship program is a perfect example of this.

Working with private business — the people who will be hiring our students in the future — Wisconsin formed a partnership that is heralded as a model for the rest of the nation.

We didn't need a bunch of bureaucrats in Madison to tell us this was the right thing to do. We saw a need ... We reached out to the private sector ... And we created something that will prepare our children for good jobs and solid futures.

This is the kind of new thinking we need for education in this state ... And this is why we need a new Department of Education.

We need a Department that will lead the charge for new ideas ...

- Ideas such as expanding the Milwaukee school choice program so poor parents have the same opportunity to choose that other parents do.

- Ideas like expanding public school choice statewide. Parents should decide where their children go to school ... Not bureaucrats.

- We are expanding charter schools statewide ... Giving every school in the state the opportunity to innovate and be the very best.

- And we are allowing private contracting statewide ... Giving every school in the state the freedom to hire the very best ... The best teachers, the best administrators, the best principals.

We are also taking steps to make sure our schools are safe and secure places to learn:

- We are setting up violence-free school zones. If you commit a felony near a school or at a school event, you will pay the price.

- We are also giving school boards the authority to discipline, suspend or expel violent students — to rid our classrooms of fear.

Good kids have rights too.

What we are doing — quite simply — is re-defining what public education is in this state ... A new public education for a new century.

Public education will no longer mean government-run education.

Public education will mean education that is serving the public.

It's that simple.

We are not dismantling education in this state.

We are dismantling old ideas.

We are dismantling the old way of doing things.

We are dismantling a bureaucracy that is no longer relevant to most classrooms.

But we are building an education system that will be second-to-none as Wisconsin moves into the next century ... An education system that is accountable to the people it serves ... An education system that will prepare our children to compete with the world ... And win.

### UNIVERSITY SYSTEM

Our great university system is already second-to-none. And moving K-12 education to the forefront in state priorities will not mean the UW is going to lose any ground.

We are going to insist on common sense, however.

We did not balance this budget on the backs of UW students.

As a parent paying UW tuition myself I know how important it is to keep tuitions low. I insisted that we keep tuition levels to under 33% of instructional costs ... And we did.

Raising tuition more could have solved a lot of budget problems for us. We did not do that.

UW tuition will remain the second-lowest in the Big 10 ... And among the lowest in the nation.

But while I am fighting to maintain funding to keep the university affordable, I expect the university administration to be doing the same.

That's why I am proposing to freeze for the next two years the salaries of UW administrators who are making more than \$100,000.

The salary cap is a small, common sense price to pay for the long-term security of one of the best public systems in the country.

### UNIVERSITY HOSPITAL

The goal of this budget is to make changes to meet the needs of the future.

Take a look at the University Hospital.

I observed firsthand the exceptional care and quality staff at this hospital when my wife Sue Ann was there for cancer surgery.

This is one of the best research hospitals in the country. But the truth of the matter is that University Hospital is going to have problems surviving as it is now. It simply cannot survive as another department of the UW.

We are unshackling our education system to compete in a new world. We need to do the same for the University Hospital.

We are proposing to make the University Hospital a public-private partnership, creating a University of Wisconsin Hospital and Clinics Authority effective July 1, 1996.

This will continue state partnership with the hospital, but also allow it the freedom and flexibility to expand and compete in an increasingly competitive health care market.

Changing to meet the needs of the future.

### REORGANIZING STATE GOVERNMENT

Meeting the pressures of this budget — and doing so without raising taxes — forced us to take a whole new look at state government in Wisconsin.

We are making changes ... Changes rooted in common sense.

A new century will bring new priorities and new pressures with it. This new state government will be prepared to meet them.

## **WELFARE**

Over the past eight years, Wisconsin has made changes recognizing the changing needs of people on welfare. Because of our foresight, we are no longer reforming welfare ... We are replacing it.

This spring I will present a bill to you that replaces welfare in the state of Wisconsin by 1997. I am asking you to work with me on that legislation.

Welfare is going to be a jobs program in Wisconsin. It will no longer be an entitlement. It will be the connection between looking for help and looking for a job.

So it only makes sense to move the current Welfare Division out of our Social Services Department and over to a new Department of Industry, Labor and Job Development.

Recognizing the demands of the future ... And making changes to meet them.

That's a new government for a new century.

## **JUVENILE JUSTICE**

Juvenile delinquents used to be troubled kids causing some trouble in society.

Today, too many juvenile offenders are violent criminals who need to be removed from society.

That's why we are moving our two most secure juvenile detention facilities from the Division of Youth Services at our Social Services Department ... Over to our Department of Corrections.

We are drawing the line between kids who society needs protection from ... And children who need to be protected.

## **DIVISION OF CHILDREN**

Once we remove the toughest kids, the Division of Youth Services will be able to concentrate its resources on children who still have a good chance of turning their lives around.

We plan to consolidate the complete spectrum of services for children-at-risk into a division of children at the new Department of Health and Family Services.

Child care, child support, child protection, children's mental health, substance abuse ...

This consolidation will reduce the likelihood of children slipping through the cracks between a multitude of different programs ... And it should also reduce the ultimate loss of these young people to the adult correctional system.

And because we are moving two institutions to the Department of Corrections, the state is going to need a new boys school. I will be making an announcement about this in the next month or so.

Changing to meet the needs of the future ... A new government for a new century.

## **PRIVATIZING GAMING**

The State Gaming Commission is a perfect example where the private sector can do a better job than state government.

Why should we have three Gaming Commissioners when there is hardly enough work to keep one busy full-time?

We plan to streamline and privatize Wisconsin's lottery, leaving the Gaming Commission free to focus on their most important duties — the regulation and security of state gaming.

## **CIVIL SERVICE REFORM**

We are taking a new look at civil service in the state.

The current civil service system is an inflexible relic of another time.

We are working with employees and unions to find the best ways to change the system ... And we are going to repeal civil service laws at the Department of Revenue and the Department of Industry, Labor and Human Relations to see if we can develop new and more efficient personnel policies.

New ideas for a new government.

## **EMPLOYMENT COMMISSION CONSOLIDATION**

We currently have three state agencies serving as hearing examiners for various employment and personnel actions ... The personnel commission, the Wisconsin employment relations commission, and the labor and industry review commission.

We propose to merge these three agencies into one overall Wisconsin employment commission. The number of commissioners will initially go down to five ... And eventually down to three.

Common sense for a new government.

## **DEPARTMENT OF FINANCIAL INSTITUTIONS**

We currently have four separate commissions overseeing the financial services industry in this state ... The Banking Commission ... The Commission of Savings and Loans ... The Securities Commission ... And the Commission of Credit Unions.

We propose to bring these under one roof in a new Department of Financial Institutions.

Distinctions between various parts of the financial industry are becoming blurred and the public often has a hard time figuring out where they need to go for help. This new department will create a one-stop shopping location for Wisconsin consumers.

## **DEPARTMENT OF COMMERCE**

Wisconsin's strong economy has been the driving force behind everything we have been able to accomplish in the last eight years.

Economic development is going to remain a top priority ... And we plan to consolidate all economic development functions into one new Department of Commerce.

The Department of Commerce will offer one central location for business. It will mean a more focused approach to business development ... And it will mean more jobs and an even better economy for Wisconsin.

Common sense for the future.

## **TOURISM AND PARKS**

We are also proposing the creation of a new Department of Tourism and Parks, bringing together the Division of Tourism and the Bureau of Parks and Recreation.

Let me be clear: this is not a scheme to commercialize our state parks. We're not putting water slides on Devil's Lake.

This new department will switch the focus from simply protecting the parks to protecting them and promoting them at the same time.

DNR will still monitor the environmental preservation of the parks. The same people will still be managing them.



We are simply going to enhance promotion in order to provide the revenue and the financial security we need to preserve our parks for generations to come.

#### **DATCP AND DNR**

We are making changes to make government more responsive to the people.

That is why we are proposing to convert the Department of Agriculture and the Department of Natural Resources into cabinet agencies.

The existing governing boards for these agencies will be retained as advisory boards. But the current lines of authority are simply too diffuse to deal with modern-day demands.

Take reformulated gas, for instance. This is an issue that happened recently, and it happened very fast. People were getting sick, and the state had to do something about it.

DNR was on top of the issue, and we worked closely with them. But we simply did not have the time to wait and see if the entire board wanted to act. I had to do something immediately.

These are the kinds of pressures we will be facing more and more in the future.

This is what government in the 21st century will be all about ... Responsiveness ... And accountability.

DNR and the Department of Agriculture should not remain insulated from the times ... Or from the taxpayers.

#### **SECRETARY OF STATE AND STATE TREASURER**

The positions of State Treasurer and Secretary of State are no longer policy-making entities, but administrative offices.

Therefore, we propose consolidating the functions of the State Treasurer into the Department of Administration, with the elected State Treasurer heading a new Bureau of the State Treasury ...

And we propose to consolidate all functions of the Secretary of State — except for the government records division — into other agencies.

#### **COUNCILS AND COMMISSIONS**

We also plan to eliminate a dozen agencies and programs that are no longer essential to state responsibilities ... And to start a sunset process for the more than 170 statutory councils, boards and commissions.

#### **CONCLUSION**

This budget is my number one priority in the weeks and the months ahead.

I will be dedicating my time to working with all of you.

If you have concerns ... If you have questions ... If you want to make changes ... Let's work together.

But I will tell you one thing right now:

I am willing to talk ... I am willing to listen ... I am willing to accommodate when possible ...

But after spending one year putting this budget together, there is one thing I am not going to do ...

I am not going to raise taxes.

Period.

This is the document that most of us campaigned on this last November.

I saw your campaign literature. I saw my picture on a lot of it too, for both Democrats and Republicans.

We said we were going to cut spending ... We said we were going to provide property tax relief without raising taxes ... We said we were going to change government.

That's what we told the people of Wisconsin we were going to do.

Now it is time to deliver.

This budget does that.

Sure, it will be easy to nit-pick and criticize parts of it ... But it is the overall budget that is going to mean a better future for Wisconsin.

I want to work with all of you.

If you think you have a better way of doing something, if you think you have an idea we haven't thought of ... Let's talk about it.

Let's not waste this opportunity to truly create a new government for a new century.

I said in my inaugural address that what we accomplish together in the next four years will serve as a defining moment in Wisconsin history.

People are going to look back at what we do here as one of the most exceptional periods in this state.

We are building a legacy for the future.

No, it will not be easy.

But none of us was elected to do what was easy. We were elected to do what was right.

Raising taxes to fund property tax relief is the easy way out. Any one of us could write that budget in 30 seconds on the back of a napkin.

The challenge we are meeting today is bigger than a billion dollars. It goes beyond dollars and cents ... It goes beyond politics and parties ...

The challenge we are meeting today is the challenge to lead ... To do nothing less than lead this state and this nation into the next century.

Thank you.

TOMMY G. THOMPSON  
Governor

Adjourned.

12:48 P.M.

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#### **AMENDMENTS OFFERED**

Senate amendment 1 to **Assembly Bill 21** offered by Senator Chvala.

Senate amendment 1 to **Senate Bill 2** offered by Senator Burke.

Senate substitute amendment 1 to **Senate Bill 40** offered by Senator Wineke.