

76. Sturgeon Fishing Season Limit

Sections 1197g, 1197h and 9437 (4v)

These sections specify that a license for sturgeon spearing may not be issued beginning October 1 and ending on the last day of the open season for the spearing of rock or lake sturgeon except to a person who is a Wisconsin resident who turns fourteen-years-old during that period or a state resident serving in the U.S. armed forces.

I am vetoing these sections because this is a policy issue that should be addressed by the Natural Resources Board during its public hearing process.

77. University of Wisconsin-Stevens Point Bear Biologist

Sections 395 [as it relates to ss. 20.285 (1) (k) and 20.370 (1) (mu)] and 1351zf

These provisions provide \$24,000 in each fiscal year for an additional position at the University of Wisconsin-Stevens Point. The provisions also require the board of regents to ensure that the position focuses on bear hunting research and data collection. Although there is no language authorizing the position increase, the purpose of this funding was included in a Joint Committee on Finance amendment to the bill.

By lining out the appropriations and writing in smaller amounts that delete \$24,000 in each fiscal year, I am vetoing the parts of the bill which fund this position. I am also vetoing section 1351zf to remove the requirement that the position focuses on bear hunting research. I object to having the Legislature define specific job description responsibilities in statute. Agencies need to retain the flexibility to prepare and modify job descriptions without obtaining legislative approval. However, in light of the interest in this area, I request that the board of regents consider addressing this issue within existing resources. In addition, I am requesting the Department of Administration secretary not to allot these funds.

78. Group Deer Hunting

Sections 1171gb, 1171gd, 1171gf and 1171gh

These sections allow bow hunters to group hunt for antlerless deer after the close of the regular gun deer season.

I am vetoing these sections because the extension of group deer hunting privileges to bow hunters is unnecessary. Bow hunting for deer is traditionally a solitary pursuit. To improve chances of harvesting a deer, bow hunters reduce the number of factors that may alert a deer to their presence, including wearing camouflaged clothing and hunting individually. These factors make group bow hunting for deer unnecessary and a safety concern.

79. Outdoor Wildlife Heritage Fund

Sections 395 [as it relates to s. 20.370 (1) (Lu)], 589i, 1110m and 1119z

These provisions create an outdoor wildlife heritage trust fund to receive gifts, grants, bequests or other contributions. Monies deposited in the fund may be expended for activities and programs listed in Chapter 29, Wisconsin Statutes.

I am vetoing these provisions because creating a separate fund for these monies is unnecessary. Donations may currently be made to the Department of Natural Resources exclusively for these programs and activities and are accounted for separately.

80. New Positions

Section 395 [as it relates to s. 20.370 (4) (aq) and (9) (mu)]

Section 395 [as it relates to s. 20.370 (4) (aq) and (9) (mu)] provides \$70,000 SEG in fiscal year 2001-02 and \$87,000 SEG in fiscal year 2002-03 for an additional 2.0 FTE SEG positions in the Department of Natural Resources. The positions consist of 1.0 FTE SEG position for a Wisconsin River coordinator and 1.0 FTE SEG program assistant position for the Medford ranger station.

Although there is no language in the budget bill that authorizes these increases, the purposes of this funding were included in Joint Committee on Finance and Senate amendments to the bill.

By lining out the Department of Natural Resources' appropriations and writing in smaller amounts that delete the following amounts from s. 20.370 (4) (aq), \$46,000 SEG in fiscal year 2001-02 and \$55,000 SEG in fiscal year 2002-03 and s. 20.370 (9) (mu), \$24,000 SEG in fiscal year 2001-02 and \$32,000 SEG in fiscal year 2002-03, provided for these purposes, I am vetoing the parts of the bill which fund these 2.0 FTE SEG positions. I object to having the Legislature manage agency programs and reduce departmental flexibility by directing the allocation of staff. I am requesting the Department of Administration secretary not to allot the funds and not to authorize the 2.0 FTE SEG positions.

81. Geographic Management Requirements

Sections 1042g and 1042i

Section 1042g requires the Department of Natural Resources to include the LaCrosse-Bad Axe Watershed and the Kickapoo River Watershed in the same management unit if the state is divided for management purposes. In addition, section 1042i requires the department to include Crawford and Vernon counties in the region that covers the west central part of the state for management functions.

I am vetoing this provision because it is unnecessary. The sections infringe on executive branch authority to manage department resources.

82. On-line Bidding for the Automated License Issuance System

Section 1158m

This section requires the Department of Natural Resources to post specifications for the operation of an automated license issuance system on an Internet site maintained by the Department of Agriculture, Trade and Consumer Protection. In addition, the section specifies that the Internet site provide a means for contractors to electronically post bids and view bids posted by other contractors.

I am vetoing this section because such a system would be difficult to maintain and the provision limits the Department of Natural Resources' flexibility in awarding the contract to the most qualified bidder.

83. Tourism Funding

Section 1066y

This section prohibits the Department of Natural Resources from expending monies appropriated from the conservation fund to support a program or activity of the Department of Tourism.

I am vetoing this section because it unduly limits the Department of Natural Resources' ability to work in conjunction with another state agency to promote Wisconsin's natural resources and recreational opportunities.

84. Privatization of Geographic Information Systems Study

Section 9132 (2z)

This section requests the Joint Legislative Audit Committee to direct the Legislative Audit Bureau to perform a performance evaluation audit of geographic information systems mapping services provided by the Department of Natural Resources. The audit must analyze the degree to which the department's services compete with private mapping services and the cost-effectiveness of the services provided by both the department and private businesses.

I am vetoing this section because it is unnecessary. The Joint Legislative Audit Committee has the authority to decide which audits are appropriate. Also, such a study should include the geographic information systems services offered by all state agencies. I request the Department of Electronic Government to review geographic information systems services offered by state agencies and their cost-effectiveness.

85. Administrative Funding Report

Section 9137 (4y)

This section requires the Department of Natural Resources to prepare a report for the Joint Committee on Finance by March 1, 2002, that explains the department's reasoning for distributing administrative costs among the department's programs and how the method is viewed as being equitable. In addition, the report is to propose alternatives to the distribution process that the department believes may result in a more equitable distribution of administrative costs.

I am vetoing this section because a formal report is unnecessary. However, I am requesting the department to continue to review its methodology and to share this information with interested parties.

BOARD OF COMMISSIONERS OF PUBLIC LANDS

86. Land Purchase

Sections 1039b, 1088e, 1088m and 1088r

These sections allow the Board of Commissioners of Public Lands to purchase land in the state and require the board to submit a request to the Joint Committee on Finance for approval of any proposed land purchase under a 14-day passive review process. If the committee takes no action during this 14-day passive review, the board may purchase the land. If the committee does schedule a meeting, the land may be purchased only upon its approval.

These provisions restrict a land purchase by the board to no more than 10,000 acres of land in any five-year period. Within five years of a land purchase by the board, the Department of Natural Resources may offer to exchange land under its jurisdiction for the land purchased by the board or the department must pay the board for the land and the board must transfer jurisdiction over the land to the department.

Under these provisions, land exchange transactions between the board and the department would be exempt from current law provisions requiring the Natural Resources Board to make a finding that the department lands are no longer needed for conservation purposes before they may be transferred. The provisions would also exempt any land transaction related to the Board of Commissioners of Public Lands' land purchases from current law provisions requiring the Governor's review and approval of Department of Natural Resources' land transactions.

I am vetoing these sections entirely for three reasons. First, the provisions do not limit Board of Commissioners of Public Lands to the one-time acquisition of the Wisconsin Public Service Corporation land in Marinette County. Instead, the board is granted continuing authority to acquire lands associated with any hydroelectric project. I object to including this major expansion of the authority and responsibility of the board in the budget. Such an expansion should be deliberately considered as separate legislation. Second, as this is an ongoing authority, the provisions put an excessive burden on the Department of Natural Resources. Although the Warren Knowles-Gaylord Nelson

Stewardship 2000 Program currently provides adequate funds for land purchases, it is unknown if funding will always be available to meet the department's obligations under these provisions. Forced or untimely acquisition could adversely affect the department's ability to protect lands around the state. Third, this purchase may have significant fiscal implications for the trust funds managed by the Board of Commissioners of Public Lands. These fiscal implications could include a reduction in library aids supported by the common school fund of at least \$1,000,000 annually.

I recognize that preserving the Wisconsin Public Service Corporation land in Marinette County for public recreation and natural resources protection is important to residents and visitors to the state. This budget bill contains a significant increase in funding for the Stewardship 2000 Program. Therefore, I am requesting the Department of Natural Resources to work to ensure that this land is preserved and protected for the state of Wisconsin through use of the Stewardship 2000 Program.

STATE FAIR PARK BOARD

87. Board Membership

Sections 183h and 183i

These sections remove the June 30, 2003, sunset date for legislative membership on the State Fair Park Board.

I am vetoing these sections because the sunset date was agreed to as part of the State Fair Park master plan building program. The program is proceeding on schedule, and there is no need to mandate continued legislative membership on the board.

Current law requires board members to have particular affiliations with business, agriculture, tourism and the city of West Allis but allows the appointment of one nonaffiliated member. I am willing to consider appointing two members of the Legislature to the board in the event that two additional nonaffiliated seats are added to the board.

TOURISM

88. Tourism Earmarks

Sections 629n, 630 [as it relates to s. 41.11 (7)], 1400q and 9151 (1mk)

Sections 629n and 9151 (1mk) allocate \$35,000 in fiscal year 2001-02 for a grant to the New Berlin Historical Society for costs related to moving the historic Youmans home. Sections 630 [as it relates to s. 41.11 (7)] and 1400q allocate \$20,000 annually on an ongoing basis for a grant to the Wild Rivers Interpretive Center for costs related to the distribution of state tourism materials.

I am vetoing sections 629n, 1400q and 9151 (1mk) and partially vetoing section 630 [as it relates to s. 41.11 (7)] because these sections are inconsistent with the primary focus of the tourism marketing program and limit the Department of Tourism's flexibility in promoting Wisconsin tourism.

89. Kickapoo Valley Reserve Report

Sections 1263h and 1404f

These sections require the Kickapoo Valley Reserve Board and the Lower Wisconsin State Riverway Board to submit a joint report to the Building Commission and the Joint Committee on Finance. The report must include recommendations on how revenue may be generated to cover the operational costs of the boards. The report must also include a resubmission of plans for building facilities.

I am vetoing these sections because they are unnecessary. The Kickapoo Valley Reserve Board has already developed plans for a visitor center, funding for which is provided in this budget. The Lower Wisconsin State Riverway Board has no immediate plans for a visitor center. Furthermore, the Kickapoo Valley Reserve Board is already working to enhance user fee revenue. Also, the Lower Wisconsin State Riverway Board is primarily a regulatory board with oversight over timber harvesting and the development of land along the Lower Wisconsin River. The Lower Wisconsin State Riverway Board does not manage wildlife areas or camping sites in the riverway and, therefore, has no opportunity to collect user fees. Finally, federal regulations restrict the use of hunting and fishing license revenue. Funding either of these boards with license revenue would result in the loss of federal revenues.

90. State Historical Society Promotions

Sections 1400n and 1400r

These sections require the Department of Tourism to advertise historic sites and state parks and allow the State Historical Society to use program revenue funds to meet joint effort marketing grant program match requirements. The department's administrative rules currently prohibit the use of state funds to meet match requirements.

I am vetoing section 1400n because it is unnecessary. The department already advertises historic sites and state parks. Imposing a requirement would limit the department's flexibility in promoting Wisconsin tourism. In addition, I am vetoing section 1400r because it undermines the purpose of the joint effort marketing program which is to pair state funds with private funds and, thereby, allow public funds to promote the maximum number of attractions.

TRANSPORTATION

91. Administrative Appropriation Reductions

Section 9152 (2cd)

This section requires the Department of Transportation to submit a plan to the Joint Committee on Finance that allocates reductions of \$3,530,800 in fiscal year 2001-02 among the department's SEG, SEG-S, PR and PR-S appropriations to reflect credits to the department's appropriations made by the Department of Employee Trust Funds to implement a provision of 1999 Wisconsin Act 11, less any amounts lapsed in fiscal year

2000-01 as a result of credits made in that year. In addition, the department's submission to Joint Committee on Finance is to include a plan for lapsing \$800,000 annually from the department's 2001-03 appropriations for departmental management and operations, highway administration and planning, the delivery cost portion of other highway appropriations, the Division of Motor Vehicles, and the Division of State Patrol. The department may not implement the plan until it is approved by Joint Committee on Finance as submitted or as modified.

I am partially vetoing this section to request that the plan be submitted to the Department of Administration secretary for approval rather than the Joint Committee on Finance to eliminate the need for additional legislative oversight. Upon approval of the plan, I am requesting the Department of Administration secretary to lapse the savings from identified reductions to the transportation fund.

92. General Transportation Aid Distribution

Sections 632m, 632n, 2345m, 2345n, 9159 (3q) and 9452 (10q)

Sections 2345m and 2345n suspend the general transportation aids distribution formula for aid distributed in calendar year 2002 and calendar year 2003. In addition, sections 632m, 632n, 9159 (3q) and 9452 (10q) require the Department of Transportation to pay \$8,420.92 to the city of La Crosse as partial reimbursement for a penalty that was assessed against the city for tardy filing of its 1999 annual report.

I am vetoing sections 2345m and 2345n because suspending the general transportation aids distribution formula continues to penalize some local governments due to previous penalties or changes in reported costs.

In addition, I am vetoing the provision requiring the department to reimburse the city of La Crosse for a penalty that was assessed against the city. This requirement is unnecessary since the department has already made payment for the claim as required in a ruling by the State Claims Board. The effect of this veto will be to reduce expenditures in the sum sufficient appropriation under s. 20.395 (1) (ar) by \$8,400 SEG in fiscal year 2001-02. I am requesting the Department of Administration secretary to reestimate expenditures by this amount.

93. Mass Transit Aid Overpayments

Section 9152 (3mp)

This section waives the repayment of overpayments for state transit operating aids previously distributed by the Department of Transportation to the city of Rhinelander.

I am vetoing this section because I object to the precedent it sets for other recipients to avoid repaying excess state transit aid received. This would lead to a drain on transportation revenues and the unfair distribution of transit aids among communities.

94. Aviation Career Education Program

Sections 395 [as it relates to s. 20.395 (2) (ds)] and 2615x

These sections provide \$25,000 SEG in each of fiscal years 2001-02 and 2002-03 in appropriation s. 20.395 (2) (ds) for the administration of the Aviation Career Education program. In addition, the sections require the Department of Transportation to offer the program in the city of Green Bay if there are interested and eligible applicants in the city.

While I strongly support the Aviation Career Education program, I am vetoing additional expenditure authority because this use of taxpayer dollars is unwarranted during this period of tight transportation revenues. Therefore, I am partially vetoing section 395 [as it relates to s. 20.395 (2) (de)] by writing down the allotted amounts by \$25,000 SEG in each of fiscal years 2001-02 and 2002-03, and I am requesting the Department of Administration secretary to not allot these funds to this appropriation. The effect of this veto will be to reduce expenditures in the Department of Transportation's appropriation under s. 20.395 (2) (ds) by \$25,000 SEG in each of fiscal years 2001-02 and 2002-03. In addition, I am vetoing section 2615x because it is not necessary. Applicants may already petition the department to expand the program to include the city of Green Bay if there are interested and eligible applicants in the city.

95. Expressway Policing Aids

Section 395 [as it relates to s. 20.395 (1) (gq)]

This section provides \$94,600 SEG in the 2001-03 biennium for expressway policing aid to Milwaukee County.

I am vetoing this provision because the allocation of these aids is not based on the cost to administer the program. Therefore, I am requesting the Department of Transportation to review current policies related to allocating funds for expressway policing aids and to find an equitable means of relating program expenses with the aid amounts. In addition, I am requesting the Department of Administration secretary to place \$31,200 SEG in fiscal year 2001-02 and \$63,400 SEG in fiscal year 2002-03 into unallotted reserve in the Department of Transportation's appropriation under s. 20.395 (1) (gq) to lapse to the transportation fund.

96. Local Road Improvement Program

Sections 649m, 2346m, 9152 (4x) and 9152 (4z)

Section 2346m requires the Department of Transportation to give priority to town road improvements that have been requested due to damage as a result of heavy motor truck loads. In addition, section 9152 (4x) requires the department to allocate \$25,000 SEG in the 2001-03 biennium to the town of Menasha for construction of a recreational trail and section 9152 (4z) allocates \$609,000 SEG to the village of Pleasant Prairie for street improvements before making any other allocations of funds under the Local Road Improvement Program.

I am vetoing section 2346m because this provision is arbitrary and should be addressed through separate legislation. In addition, I am vetoing sections 9152 (4x) and 9152 (4z) because these provisions circumvent the required approval process for allocating funds under this program and construction of a recreational trail should not be an allowable use of these funds.

97. Unofficial Detour Claims

Sections 2308m and 9352 (1f)

These sections require the Department of Transportation to pay claims submitted by local governments for damage to any gravel road that the department determines was caused by the road's use as an unofficial detour around a state trunk highway construction project. This provision also includes what information is to be included on the claim by the local government and a list of specific factors that the department must consider when evaluating such claims.

I am vetoing this provision since it places an unnecessary burden on the department's administrative staff and the transportation fund. This provision would be a burden because it would be difficult for the department to determine which road motorists may use as unofficial detour routes.

98. Transportation Economic Assistance Program

Sections 2308h and 9152 (4v)

Section 2308h requires the Department of Transportation to give priority to funding applications under the Transportation Economic Assistance program for applicants that have expressed a willingness to accept a loan for all or part of the state share of the project. In addition, this section prohibits the department from allocating more than 80 percent of the total amount of state funds and loan repayments appropriated to the program for making grants. Section 9152 (4v) requires the department to waive a requirement for a local match and award a grant of \$410,000 in January 2002 to Brown County, the city of Green Bay and the village of Ashwaubenon for reconstruction of a local road.

I am vetoing section 2308h because it places an unnecessary financial burden upon the department and any applicants requesting state assistance under the Transportation Economic Assistance program. In addition, I am vetoing section 9152 (4v) because it circumvents the approval process for projects funded by the Transportation Economic Assistance program and results in the inequitable distribution of program funds.

99. Transportation Enhancements Projects

Sections 9152 (4c) and 9152 (4nk)

Section 9152 (4c) requires the Department of Transportation to award a grant from federal enhancement funds to the city of Wausau for the City Square Park Pedestrian

Pathway project if the city contributes at least twenty percent of the project's cost. In addition, Section 9152 (4nk) requires the department to award a grant for the Clayton Pedestrian Facility if the town of Clayton contributes at least fifteen percent to the project's cost.

I am vetoing these sections because they undermine the department's authority to award grants under the federal transportation enhancements program. In addition, approval of these projects will delay completion of other projects that are eligible to receive funding.

100. Roadway Improvements in the City of Ladysmith

Sections 654p, 654r, 9152 (3d) and 9152 (5g)

Section 9152 (3d) allocates \$200,000 from the SEG-funded highway and local bridge assistance appropriation to fund a local road project in the city of Ladysmith if the city contributes an amount equal to at least twenty percent of the project's cost. In addition, the other sections allocate \$480,000 from state and federal funds provided for railroad crossing improvement and protection projects to construct an underpass under the railroad tracks in the city of Ladysmith.

I am vetoing these sections because they are unnecessary. The provisions circumvent established policies, processes and eligibility requirements for funding local road projects and may impair the safety of other railroad crossings by reallocating funds from other high priority railroad crossing projects.

101. Passenger Rail Restrictions

Section 2311g

This section prohibits the use of bond proceeds authorized for passenger rail improvements between Milwaukee and Green Bay or Milwaukee and Madison or for passenger rail station improvements on any project unless state funds are limited to twenty percent of the project's cost and Amtrak or another applicable railroad has agreed to provide passenger rail service along these routes.

I am vetoing this section because it may adversely influence Wisconsin's ability to fully utilize federal funds for passenger rail development in this state and the Legislature already has oversight of passenger rail expenditures. This veto maintains the requirement that the Department of Transportation receive approval from the Joint Committee on Finance before using authorized bond proceeds along specified passenger rail routes.

102. Safety Contracts

Sections 2340t and 9352 (3y)

These sections require the Department of Transportation to receive approval from the Joint Committee on Finance before entering any contract relating to alcohol or traffic enforcement activities that are funded with federal transportation safety funds.

I am vetoing these sections because they create an unnecessary administrative burden upon the department that may delay the approval and implementation of safety-oriented programs.

103. Federal Highway Formula Aid

Section 2305m

Section 2305m requires the Department of Transportation secretary to submit a plan for approval to the Joint Committee on Finance if the department's most recent estimate of federal highway funds the department will receive are three percent more or less than amounts provided in the schedule for appropriations under s. 20.395 for that fiscal year.

I am vetoing this provision because it is unnecessary. Current law requires the department to submit a plan to the Joint Committee on Finance if the amount of federal funds received is five percent more or less than what was provided in the schedule for appropriations under s. 20.395.

104. Major Highway Program

Sections 108o, 2297 and 2309

Section 108o requires the Department of Transportation to provide a life-cycle cost statement for each proposed major highway development project presented to the Transportation Projects Commission for consideration for enumeration. Sections 2297 and 2309 would limit the amount of revenue bond proceeds used in the major highway program to a maximum of 55 percent over any three consecutive fiscal years.

I am vetoing section 108o because life-cycle costs for highway projects are difficult to project and the existing major highway project approval process ensures projects are only recommended for enumeration if warranted. Furthermore, I am vetoing sections 2297 and 2309 since these provisions unnecessarily limit the department's flexibility in funding major highway construction projects.

105. Long-Range Surface Transportation Investment Planning Committee

Section 9152 (3b)

This section creates a Long-Range Surface Transportation Investment Planning Committee that will gather information relating to state and local needs for surface

transportation planning, involve the participation of relevant groups, assess the long-range funding needs for surface transportation programs, develop a multiprogram state surface transportation investment plan, and prepare a report containing the committee's evaluation, findings and recommendations. Members of the committee are to be nominated by the Assembly speaker and Senate majority leader and appointed by the Governor from specified transportation related groups.

I am vetoing this section because the Department of Transportation is currently completing twenty-year plans for all major modes of transportation in the state. Creating the proposed planning committee would replicate this process and place an unnecessary administrative burden on department staff.

106. Highway Development Projects

Sections 2302c, 2302e, 2302g, 2302gg, 2305k, 9152 (3e), 9152 (3h) and 9152 (6bg)

These sections require the Department of Transportation to complete construction of USH 10 by December 31, 2013, and construct an interchange at the intersection of STH 57 and CTH P and at the intersection of USH 141 and CTH B as part of major highway projects. In addition, the sections do the following:

- Exempt a portion of USH 12 from being widened until December 31, 2011, during any reconstruction or repair;
- Widen a portion of USH 12 to five lanes without requiring a local matching contribution for project costs;
- Require reconstruction of a portion of STH 100 by June 30, 2003, and completion of the Hanson Road bridge project by December 31, 2003; and
- Allocate up to \$300,000 of federal funding for specified improvements to a project on USH 51 in the city of Madison.

I am vetoing these sections because approval of these projects may delay and increase costs and safety concerns associated with other important projects that have already been scheduled for completion. In addition, modifications to major highway projects that have already been enumerated may adversely affect the design and environmental processes used in selecting these projects for enumeration. The USH 51 project in Madison poses safety concerns. Regarding the Hanson Road bridge, I recognize that thousands of jobs and economic growth will be served by the project and I am requesting the Department of Transportation secretary to expedite the time line. I am also requesting that the secretary review the timetable for the USH 10 project to ensure that construction is completed as soon as possible.

107. Corridor Grant Program

Sections 654t and 2310m

These sections require the Department of Transportation to administer a highway corridor grant program that awards grants from the Major Highway Development program to local governments for highway corridor planning activities. The department may not expend more than \$500,000 in any fiscal year under this program.

I am vetoing these sections because this program is unnecessary. Local planning grants are currently available through the Office of Land Information Services in the Department of Administration. Funding these new grants from the Major Highway Development program will limit the amount of funding available for enumerated major highway projects and may delay the construction of these projects.

108. Southeast Wisconsin Freeway System

Sections 656k, 657k, 658t, 2303b and 9152 (5x)

Section 2303b provides definitions for "interim repair," "Marquette Interchange," "reconstruction," "rehabilitation" and the "Southeast Wisconsin freeway" to specify that any southeast Wisconsin freeway rehabilitation projects may only be funded from the Department of Transportation's appropriations under s. 20.395 (3) (cr), (cw) and (cy) as created under this act. In addition, this section limits expenditures under these appropriations by the Department of Transportation to no more than \$160,643,900 in the 2001-03 biennium and no more than \$45,918,500 in any fiscal year thereafter, for the Marquette Interchange reconstruction project, unless the expenditure of more funds is approved by the Joint Committee on Finance.

The department may exceed the expenditure limit for the 2001-03 biennium or for fiscal years thereafter to meet project deadlines if the department makes a subsequent reduction in allocations for the Marquette Interchange reconstruction project by an equal amount. In addition, the department may transfer funding for the southeast Wisconsin freeway rehabilitation project between the state and federally funded appropriations to minimize project costs. However, the department must receive approval from Joint Committee on Finance before transferring funds from appropriations supporting the state rehabilitation program to the southeast Wisconsin rehabilitation program. The department is also required to submit its proposed relocation agreement with Aldrich Chemical Company, Inc., to the Joint Committee on Finance for approval. This agreement is to include a provision identifying the responsible party for remediation of any environmental contamination on the property.

This section also includes several requirements that must be met during reconstruction of the Marquette Interchange. These requirements include constructing and keeping open during the reconstruction project, interchanges at the intersection of 13th Street and I-94 and the intersection of Plankinton Avenue and I-794; requiring reconstruction work to be performed on a 24-hour basis; and requiring the redesign of the Marquette Interchange and I-94 in Milwaukee and Waukesha counties to allow for vehicle capacity expansion for up to thirty years.

Section 9152 (5x) requires the department to submit to the Joint Committee on Finance a request to transfer monies from the SEG, SEG-L and SEG-F appropriations that allocate funds for the state highway rehabilitation program to the southeast Wisconsin freeway rehabilitation appropriations to account for expenditures associated with rehabilitation of the freeway system. The department's request, and the committee's action on the request, may not include funding allocated for projects in other parts of the state or other funding that is not allocated to rehabilitation of southeast Wisconsin freeways.

The Department of Transportation needs to maintain flexibility to properly fund reconstruction projects that are part of the southeast freeway system. Therefore, I am partially vetoing section 2303b and vetoing section 9152 (5x) to remove provisions that limit the department's ability to reallocate expenditures from the southeast Wisconsin freeway rehabilitation appropriations created under this act to provide the department with more flexibility in allocating these funds towards projects identified as having the greatest need. I am also vetoing provisions that limit expenditures for the Marquette Interchange, after the 2001-03 biennium, to ensure that reconstruction of the Marquette Interchange is not delayed. In addition, I am vetoing provisions requiring the department to construct interchanges, allow expansion capacity to meet projected traffic capacity needs and requiring 24-hour construction of the Marquette Interchange. These provisions work against the department's efforts to reach a consensus with community members on the Marquette Interchange's reconstruction plan and could further delay reconstruction and increase costs associated with this project.

109. West Canal Street Reconstruction Funding

Sections 655 and 9152 (5y)

This section requires the Department of Transportation to request up to \$5,000,000 in tribal gaming revenues in its 2003-05 biennial budget request if additional funds are needed in the 2003-05 fiscal biennium to complete the West Canal Street project. The section specifies that if a request for additional funds is made, the department's request shall include a recommendation for statutory changes to require the city of Milwaukee to make a matching contribution equal to the amount of the grant to be awarded by the department in the 2003-05 biennium.

I am partially vetoing this section to eliminate the requirement for the department to request additional funding for the West Canal Street reconstruction project in the 2003-05 biennium. In addition, I am partially vetoing the provision that specifies that the city of Milwaukee will be required to make a matching contribution if additional funds are received in the 2003-05 biennium for the West Canal Street reconstruction project. I am vetoing these provisions because they limit flexibility in addressing funding for this critical project. The level of future local government contributions will be dependent on the scope of the project and the capacity of other funding sources to address this important infrastructure need. I remain committed to the funding goals included in my original budget proposal and intend to ensure completion of this project in the 2003-05 biennium.

110. Locations of Highway Rest Areas

Sections 2307f, 9152 (3wy) and 9352 (3wy)

These sections prohibit the construction of rest areas along a state trunk highway at a location that is within five miles of an exit from the highway that provides access to motorists' services. In addition, the Department of Transportation is required to use any savings realized under this provision to reopen previously closed rest areas or to keep areas proposed for closure that do not meet these restrictions open. This restriction does not apply to rest areas located within five miles of the state border or to any rest area near the village of Belmont in Lafayette County.

I am vetoing this provision because it may adversely affect our efforts to maintain public safety on state roadways by requiring the removal of existing rest areas as those facilities become inadequate to meet public demand. In addition, this provision is inefficient because it would prohibit the construction of rest areas that are already scheduled for construction and require reopening other facilities that have been closed.

111. Traffic Signals and Streetlights

Sections 9152 (6dd), 9152 (6dg) and 9152 (6x)

These sections require the Department of Transportation to install traffic signals at the intersection of USH 63 and West Beaver Brook Avenue in the city of Spooner and STH 38 and Oakwood Road in the city of Oak Creek. In addition, the sections require the department to install a streetlight at the intersection of STH 27 and STH 71 in the town of Little Falls.

I am vetoing these sections because they circumvent normal approval processes and may impose additional safety hazards for motorists without full review and study by the department. Therefore, I am requesting that the department to work in cooperation with local officials to determine if the installation of the traffic signals and streetlight is warranted.

112. Erection of Signs

Sections 9152 (6b), 9152 (6e), 9152 (6h), 9152 (6pp), 9152 (6q) and 9152 (6s)

These sections require the Department of Transportation to erect several signs, including:

- A specific information sign on I-94 for Tenuta's Delicatessen and Liquors if the word "liquor" does not appear on the sign;
- Directional signs for the Wayland Academy along USH 151 and the Clear Lake All Veterans' Memorial and Cemetery along USH 63;
- Signs along I-43 identifying the city of Delavan as a "Historic Downtown";

- Signs along STH 29 and STH 107 identifying the area known as "Little Chicago"; and
- Directional signs along I-43/894 for downtown Greendale.

I am vetoing these sections because these items circumvent established policies, processes and eligibility requirements in statutory and administrative law. In addition, the installation and ongoing operating costs to maintain these signs will place an additional burden on the transportation fund.

113. Agricultural Tourism Facilities

Section 2340y

This section requires the Department of Transportation to develop and implement a plan to promote and maximize the erection of agricultural tourism signs along highways in Wisconsin to identify and provide directional information to any agricultural tourism facility located in Wisconsin. The section also requires the department to consult with the Department of Agriculture, Trade and Consumer Protection while developing and implementing the plan.

I am vetoing this section because it is overly broad and could reduce safety on Wisconsin's highways. However, I recognize the importance of these facilities to the state and request the Departments of Transportation; Tourism; and Agriculture, Trade and Consumer Protection to consider these facilities when promoting Wisconsin's agricultural and tourism industries.

114. Speed Limit Restrictions

Sections 3442g, 3442h, 3442j, 3442k, 3442m, 3456m and 3456p

These sections designate the speed limit along portions of STH 58 in the city of Mauston as 35 miles per hour and 45 miles per hour along certain portions of STH 58 in the town of Lisbon. In addition, the sections prohibit the Department of Transportation from modifying these established speed limits and extend current law provisions related to the posting of speed limits and forfeitures for exceeding those limits to these newly established speed limits.

I am vetoing this provision because it bypasses current law for designating speed limits on highways and is not appropriate for inclusion in the budget bill. I encourage the department to assess the speed limits in this area in order to address the safety concerns of the communities along this transportation corridor.

115. Highway Reports and Studies

Sections 2296m, 2302k, 2302m, 2305g and 9152 (5yq)

These sections require the Department of Transportation to submit to specific entities the following reports: a biennial report showing transportation revenues and funding for

transportation programs for at least fifteen years preceding the report; an annual report on the schedule for construction of enumerated major highway projects; and a biennial report on the condition and performance of state trunk highways. In addition, the department is required to do a study on the STH 11/USH 14 transportation corridor and allocate \$200,000 in fiscal year 2001-02 from appropriations for major highway projects to conduct a location study and environmental assessment for a STH 15/USH 45 project. The sections also waive the current law provision requiring the department to get approval from the Transportation Projects Commission before conducting an environmental impact statement or environmental assessment on a potential major highway development project.

I am vetoing the provisions requiring the department to provide reports because they are unnecessary and place an additional administrative burden on the department. I am vetoing the provision requiring the department to conduct a study of STH 11/USH14 and STH 15/USH 45 because these projects undermine the Transportation Projects Commission's authority to oversee the development of potential major highway projects. In addition, appropriating funds from the major highway appropriations to fund a study for STH 15/USH 45 may delay the construction of other enumerated major highway projects. However, I recognize the need for these and other critical mobility projects around the state. As such, I request the Department of Transportation secretary to consider alternatives to accelerate Transportation Projects Commission's review of these important projects.

116. Stillwater Bridge Project

Section 2296p

Section 2296p requires the Department of Transportation to develop and submit a proposal to the Joint Committee on Finance specifying the amount of anticipated expenditures to be made by the department for mitigation in connection with the Stillwater Bridge project across the St. Croix River. This section also specifies that, if the department determines expenditures will exceed the amount anticipated, it must submit a proposal to the Joint Committee on Finance for unanticipated expenditures.

I am vetoing this section because it adds an unnecessary step in the process of approving the Stillwater Bridge project and could further delay or jeopardize the completion of a new bridge.

117. Bridge Designations

Sections 2307k and 2307r

These sections require the Department of Transportation to designate and mark the I-43 bridge across the Fox River as the "Leo Frigo Bridge" and to designate and mark the USH 45 bridge across the south branch of the Embarrass River as the "Gateway to the North."

I am vetoing these sections because they are policy items that should be addressed through separate legislation.

118. Outdoor Advertising

Sections 2308sr, 2308st and 2340vg

Section 2340vg allows for the trimming or removal of vegetation located in a highway right-of-way under the Department of Transportation's jurisdiction if the vegetation prevents an operator of a vehicle traveling on the highway from seeing, for six uninterrupted seconds, a business or sign located adjacent to the highway right-of-way. In order to trim or remove vegetation the person must obtain a permit from the department, pay the cost of trimming or removing the vegetation, and replace any removed vegetation with comparable vegetation along the same highway right-of-way. In addition, the section specifies that no state funds may be expended for the trimming or removal process. The section requires the department to grant or deny any application for a permit within thirty days of receipt of the application. Sections 2308sr and 2308st require the department to exempt an advertising sign that is owned by a religious organization and a sign that has been permanently removed, even if the department is not notified, from being assessed an annual sign permit fee as established in administrative rule.

I am vetoing these provisions because the public and other interested parties have not been allowed adequate input in the development of this policy. Many of the proposed changes can be addressed through administrative rules. Therefore, I am requesting the department improve its current permit review and approval process, and solicit and review comments from the public, affected businesses and landowners, and state agencies to determine if changes to the department's administrative rules are necessary.

119. Motor Vehicle Studies and Reports

Sections 2340k, 9152 (3k) and 9152 (5z)

Section 9152 (3k) requires the Department of Transportation to conduct a study and report on implementing a statewide automated drivers' license testing program. In addition, sections 2340k and 9152 (5z) require the department to study and prepare a report, in consultation with the Department of Electronic Government, on the department's computerized information systems and the department's plan for utilizing its data processing resources. The department is required to report its findings to the Joint Committee on Finance in fiscal year 2001-02. As part of its approval of the report, the committee may transfer up to \$2,000,000 from appropriation under s. 20.395 (5) (cq) to the appropriation under s. 20.395 (4) (aq) for the purposes of a consultant study of the department's computerized information systems and information technology needs.

I am vetoing sections 2340k and 9152 (3k) because they are unnecessary and provide too much legislative oversight of the department's operations. In addition, I am partially vetoing section 9152 (5z) to allow the Department of Administration secretary to transfer up to \$2,000,000 from the Department of Transportation's appropriation under s. 20.395 (5) (cq) to the Department of Transportation's appropriation under s. 20.395 (4) (aq) in fiscal year 2002-03 for the purpose of conducting a consultant study of the Department of Transportation's computerized information systems and information technology needs. I am requesting the Department of Transportation to submit a report analyzing its

computerized information systems and its plan for utilizing its data processing resources to the Department of Administration secretary upon its completion.

120. Low Speed Vehicles

Sections 2114c, 2972k, 3020q, 3020r, 3020s, 3020t, 3020u, 3219L, 3219v, 3390u, 3390v, 3390x, 3390y, 3407e, 3407h, 3407p, 3407r, 3407v, 3408t, 3408v, 3408y, 3409n, 3409r, 3442d, 3445be, 3445bk, 3445bp, 3456mg, 3456nm, 3456s and 3816m

These sections create a new classification of motor vehicle called a "low-speed vehicle." A low-speed vehicle is a motor vehicle, as defined by federal law, which complies with applicable equipment standards, but does not include a golf cart. This provision generally makes low-speed vehicles subject to the same regulations applicable to other motor vehicles including the following: requiring vehicles to be manufactured to meet federal safety standards; subject dealers, distributors, manufacturers and transporters to the same regulations that apply to motorcycles; exempt low-speed vehicles from the state's property tax; and requires low-speed vehicles to be registered with the Department of Transportation. The provision treats low-speed vehicles differently from most other motor vehicles in the following respects: low-speed vehicles are operable on roadways having a speed limit under 25 miles per hour, except that local authorities may allow their operation on highways having a speed limit between 25 and 35 miles per hour; low-speed vehicles are prohibited from operating on state trunk highways or connecting highways unless they are operated in a designated crossing zone.

I am vetoing this provision because of safety concerns associated with operating a low-speed vehicle on local streets even if the speed limit is 25 miles per hour or less. I also object to the circumvention of the authority of local governments to regulate the use of these vehicles on local roads. While I support the creation of a new classification for low-speed vehicles, this policy should be developed with input from local governments and the public and be addressed in separate legislation.

121. Motorcycle Requirements

Sections 395 [as it relates to s. 20.395 (4) (aq)], 3390yd, 3390yw, 3406p, 3445dg and 3445dm

Section 395 [as it relates to s. 20.395 (4) (aq)] provides \$406,000 annually for the motorcycle, moped and motor bicycle safety program and sections 3390yd, 3390yw and 3406p establish specifications for the color and size of a motorcycle license plate. In addition, sections 3445dg and 3445dm specify that the stop lamp on a motorcycle must be red and may be able to emit a blue light in the center of the lamp.

While I support the motorcycle, moped and motor bicycle safety program, this use of taxpayer dollars is unwarranted during this period of tight transportation revenues. Therefore, I am partially vetoing section 395 [as it relates to s. 20.395 (4) (aq)] to eliminate \$406,000 SEG in fiscal years 2001-02 and 2002-03. The effect of this veto is to provide \$53,900,000 in fiscal year 2001-02 and \$53,892,200 in fiscal year 2002-03 for departmental management and operations expenditures.

I am vetoing the provisions pertaining to the size and color of a motorcycle license plate and color of a motorcycle stop lamp because these policy issues should be addressed as separate legislation. In addition, current federal motor vehicle safety standards indicate that the blue dot in the middle of the red motorcycle brake light is not permissible for sale or use.

122. Vehicle Extrication Training Grants

Sections 395 [as it relates to s. 20.395 (5) (ds)], 671h, 2337k, 3410k, 3411k, 3412k, 3413k, 3414k and 9452 (2f)

These sections create an appropriation to make an annual grant of \$375,000 beginning in fiscal year 2002-03 to a nonprofit corporation that has experience in providing training to teach vehicle extrication techniques. In addition, these sections increase the fee for vehicle operator's license search requests by \$2.20.

I am vetoing section 2337k that requires the Department of Transportation to make an annual grant for vehicle extrication since the grant would duplicate similar services already provided by the Wisconsin Technical College System. Therefore, I am partially vetoing section 395 [as it relates to s. 20.395 (5) (ds)] and section 671h to eliminate the appropriation used for allocating these grants.

In addition, I am vetoing sections 3410k, 3411k, 3412k, 3413k, 3414k and 9452 (2f) to remove twenty cents of the fee increase, thereby reducing the fee increase to \$2.00 per request. Since the intended use of the twenty cent fee increase was to fund the vehicle extrication grant program, it is no longer necessary and would only serve to place an additional cost upon persons eligible to receive this information.

123. Designation of Overlength Truck Routes

Section 9152 (5c)

Section 9152 (5c) lifts restrictions on motor truck lengths for portions of STH 107 and other specific county trunk highways until the Department of Transportation has had an opportunity to review these routes to determine if the routes should be designated as overlength truck routes under administrative rule.

I am vetoing section 9152 (5c) because it bypasses the administrative rule process that designates truck routes as overlength truck routes. Allowing overlength truck travel on these routes before requiring a full assessment by the department and a public hearing may lead to premature wear on the roadway and other driver safety problems.

124. Oversize and Overweight Vehicle Permit Fees

Sections 3446k, 3447k, 3448k, 3449k, 3450k, 3451k, 3452k, 3453k, 3454k, 3455k and 9452 (3k)

These sections increase the surcharge on oversize and overweight vehicle permits from ten percent to fifteen percent effective with permits issued after December 31, 2001, and extend the expiration of this surcharge from July 1, 2003, to March 1, 2009.

I am vetoing these sections because the fee increase places an unnecessary financial burden on our state's commercial motor carrier industry. I am requesting the Department of Transportation to work in cooperation with the commercial motor carrier industry and other interested parties to develop a funding alternative that will fully support implementation of an automated oversize and overweight vehicle permitting system. This veto will allow the ten percent surcharge on oversize and overweight vehicles to expire on July 1, 2003.

125. Farm Progress Days

Sections 2339, 2339m and 2340i

These sections exempt any sponsor of Farm Progress Days from a provision that allows the Department of Transportation to charge sponsors of public events, that charge an admissions fee, for security and traffic enforcement services provided by state patrol officers. The sections also require the department to promulgate rules specifying sponsorship eligibility and what events qualify as Farm Progress Days.

I am partially vetoing this provision because it establishes a precedent for other special public event sponsors to request an exemption from paying for services provided by state patrol officers. The effect of this partial veto is to allow the department to charge public event sponsors a fee for security and traffic enforcement services if an admission fee is charged for the event.

126. Passive Alcohol Sensors

Section 2882m

This section prohibits the use of a passive alcohol sensor by a law enforcement official for the purposes of detecting the presence of alcohol in a person's breath unless the person consents to its use.

I am vetoing this section because the use of these sensors may assist law enforcement personnel in deterring persons from driving while intoxicated or under the influence of alcohol. However, I do have concerns pertaining to the accuracy of these instruments and to ensuring that privacy rights are considered. Therefore, I am requesting the Department of Transportation to work in cooperation with other agencies and local law enforcement agencies to conduct a study on the effectiveness and use of these devices. Furthermore, this policy should be developed with greater input from law enforcement agencies and the public and be addressed in separate legislation.

127. Fireworks Possession, Sale and Enforcement

Sections 2599m, 2599mg, 2881ae, 2881af, 2881ag, 2881ah, 2881aj, 2881ak, 2881am, 2881an, 2881ap, 3427t and 3427tg

These sections authorize resident wholesalers to sell regulated fireworks to any nonresident person if the nonresident person gives the wholesaler a signed statement indicating that the fireworks are for use outside this state. The sections also authorize nonresident persons to transport fireworks to an out-of-state location and to stop in any Wisconsin municipality for up to twelve hours while en route to the out-of-state destination. The section specifies that a person who intends to lawfully sell regulated fireworks may possess the fireworks without first obtaining a fireworks permit. In addition, state traffic patrol officers are authorized to enforce the permit requirement for the possession and use of fireworks on highways and to issue uniform traffic citations for violations of the permit requirement. However, the authority to seize fireworks that are possessed and are used in violation of fireworks statutes or ordinances is removed unless the violation is subject to criminal penalties. The sections prohibit courts from forwarding a record of conviction for any violation of the permit requirement to the Department of Transportation and prohibit the department from assessing any demerit points against driving records for convictions for violations of the permit requirement.

I am vetoing these sections because this is a policy issue that should be addressed through separate legislation to allow for further public input and discussion.

128. Public Safety Radio Program

Sections 2321m and 2321p

These sections require the Department of Natural Resources to make quarterly payments to the Department of Transportation if it provides radio services to the Department of Natural Resources and the provision would limit the Department of Transportation's expenditures for the program to fifty percent of the cost or \$138,000, whichever is less.

I am vetoing these provisions because they circumvent a previous agreement made between these two agencies and may leave the public safety radio program underfunded since the Department of Transportation is the primary user of the program's radio services. This veto will require payments for the public radio system to be based on the level of each agency's usage.

WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

129. Development Reserve Fund Authorization

Section 3125c

This section requires the Wisconsin Housing and Economic Development Authority to include in its annual report to the Legislature recommendations for maximum expenditure amounts for the loan programs guaranteed by the Wisconsin development

reserve fund. The Joint Committee on Finance may adjust the submitted amounts. The authority may request adjustments to the amounts during the year under a 14-day passive review process.

I am vetoing this section because it is unnecessary and reduces the administrative flexibility of the authority. Guarantee requirements under the programs can change rapidly. To efficiently administer the Wisconsin development reserve fund, the authority must be able to adjust guarantee amounts across programs quickly.

C. HUMAN RESOURCES

BOARD ON AGING AND LONG-TERM CARE

1. Volunteer Ombudsman Position

Sections 395 [as it relates to s. 20.432 (1) (kc)], 688d and 721w

Sections 395 [as it relates to s. 20.432 (1) (kc)] and 688d provide funding for 1.0 FTE PR-S volunteer ombudsman coordinator position. Section 721w requires the Department of Health and Family Services to transfer \$35,300 PR in fiscal year 2001-02 and \$40,200 PR in fiscal year 2002-03 to s. 20.432 (1) (kc) to fund the position. I am vetoing these sections because the expansion is unnecessary at this time. In addition, the civil money penalty funding from s. 20.435 (6) (g) is needed by the department for current nursing home monitoring costs and to create a reserve for future monitoring costs. I have retained the provision in the budget bill that requires the department to seek approval from the federal government to use civil money penalty funding for the ombudsman position. If the department receives federal approval and if the revenues are sufficient to support monitoring costs and the ongoing costs for the coordinator, the board can request the position and expenditure authority under ss. 16.505 and 16.515. I am requesting the Department of Administration secretary not to authorize the 1.0 FTE PR-S position.

HEALTH AND FAMILY SERVICES

2. Intergovernmental Transfer Program

Sections 395 [as it relates to s. 20.435 (4) (wm)], 717bd, 1776m and 1778

These sections relate to the use of nursing home intergovernmental transfer (IGT) funds for payments to county nursing homes and to other nursing homes receiving reimbursement under Medical Assistance. These sections specify that if less than \$115,200,000 in revenue from the IGT program is received in a given fiscal year, the Department of Health and Family Services may only make a supplemental payment to counties of \$37,100,000. This provision also allows the department to make a payment up to \$77,100,000 if more than \$115,200,000 in IGT revenues are received in a given fiscal year. Finally, these sections create a new sum sufficient appropriation in which any unanticipated or otherwise unappropriated IGT revenues are to be deposited, to be used only for supplemental payments to county or other nursing homes.

The budget as passed by the Legislature assumes annual IGT revenues will be significantly less than \$115,200,000. Counties would receive an increased supplemental payment only if revenues are more than \$115,200,000, yet if even slightly less revenue is available, the counties would receive no increase in the supplement. At the same time, the Legislature appropriated IGT revenues to pay fully for the increased payment, which is inconsistent with maintaining this \$115,200,000 threshold in state statutes.

With respect to the new appropriation for unanticipated IGT revenues, this provision will create significant pressure to expend these revenues in the 2001-03 biennium,

exacerbating a cost-to-continue problem. The intent of the administration was to dedicate the vast majority of unanticipated IGT revenues to county and other nursing home payments for use in future years. With the Medical Assistance budget facing a \$220 million structural deficit at the start of fiscal year 2003-04, any IGT revenues received above what have already been appropriated should not be expended unless an unforeseen problem arises.

Therefore, I am digit vetoing sections 1776m and 1778, eliminating the \$115,200,000 threshold and thus removing this inconsistency from the budget. Also, I am partially vetoing sections 395 [as it relates to s. 20.435 (4) (wm)] and 717bd to remove language specifying this new appropriation for unanticipated IGT funds as a sum sufficient appropriation. By default, as outlined in s. 20.001 (3) (a), this appropriation will operate as an annual appropriation which can only be increased by an act of the Legislature or by an emergency action as specified under s. 13.10. Furthermore, I direct the department, working cooperatively with the county and other nursing homes, to pursue separate legislation clarifying that the vast majority of any unanticipated IGT funds will be dedicated to future county and other nursing home payments.

3. Supplemental Hospital Payment

Section 395 [as it relates to s. 20.435 (4) (w)]

Section 395 appropriates a supplemental payment to hospitals participating in the Medical Assistance (MA) managed care initiative. Although there is no language in the budget bill authorizing this supplement, the Legislature passed a motion and an amendment during its deliberations to authorize the increases in this area.

All hospitals serving MA or BadgerCare recipients received a rate increase in the 2001-03 biennial budget using intergovernmental transfer funds. I see no reason to retain an additional supplement for facilities participating in the MA managed care initiative. Therefore, I am vetoing this provision and decreasing the Department of Health and Family Services' appropriation under s. 20.435 (4) (w) by \$71,000 SEG in fiscal year 2001-02 and by \$74,500 SEG in fiscal year 2002-03. I am requesting the Department of Administration secretary not to allot these funds.

4. Joint Committee on Finance Authority to Supplement BadgerCare

Sections 1836g and 1836r

These sections authorize the Joint Committee on Finance to supplement the BadgerCare benefits appropriation under s. 13.10 from any other appropriation after the administration has submitted a proposal to reduce or stop program enrollment in the event of a projected funding shortfall. Under current law, the Department of Health and Family Services is required to limit enrollment in the program if the program is projected to exceed its budget, and BadgerCare may be supplemented only through an act of the full Legislature, signed by the Governor into law.

In its first two years, the BadgerCare program experienced rapid caseload growth which left the program facing budget shortfalls. Fully funding BadgerCare required separate

legislation in fiscal year 2000-01 as well as additional increases in the 2001-03 biennial budget. However, caseload growth in the program has stabilized, and the need for future supplements is less likely.

If, however, there is unanticipated growth in the BadgerCare program, it is appropriate to consider reducing or stopping program enrollment. If both the Legislature and administration agree that sufficient funds exist to supplement the program, then separate legislation can still remedy any shortfall. Therefore, I am vetoing these sections, to eliminate the Joint Committee on Finance's authority to supplement the BadgerCare program from any other state appropriation because it is unnecessary.

5. BadgerCare Funding Study

Section 9123 (9wo)

This provision requires the Department of Health and Family Services to produce a report for the Joint Committee on Finance on the potential for long-term savings under the BadgerCare program, to be completed by January 1, 2002.

I support finding ways to reduce program costs in BadgerCare and other health care programs, but this provision does not provide the department sufficient time to complete a comprehensive review of the program. Therefore, I am partially vetoing this provision and am directing the department to complete its review of the BadgerCare program by January 1, 2003. Furthermore, I direct the department to submit a copy of the report to the secretary of the Department of Administration as a cost-containment proposal to be considered during the 2003-05 biennial budget process.

6. Medical Assistance Estate Recovery Audit

Section 9132 (3w)

This section requests that the Joint Committee on Audit direct the Legislative Audit Bureau to study the estate recovery program administered by the Department of Health and Family Services. The Joint Committee on Audit currently has the authority to request such a study if it deems an evaluation is needed, making this budget provision unnecessary. Therefore, I am vetoing this provision.

7. Provider Fraud and Abuse Administrative Rules

Section 9123 (15k)

This provision requires the Department of Health and Family Services to craft proposed administrative rules for new Medical Assistance fraud and abuse provisions within nine months of the budget bill's effective date. I feel nine months is not sufficient time for the department to develop proposed administrative rules. Therefore, I am vetoing section 9123 (15k) and am directing the department to submit its proposed rules to the Joint Legislative Council staff by January 1, 2003.

8. Grants for Case Management Services for Children with Asthma

Sections 395 [as it relates to s. 20.435 (5) (ca)], 718s and 3142m

These sections authorize a \$150,000 GPR annual grant to Milwaukee County to provide case management services to children with asthma. I am vetoing this provision because the Department of Health and Family Services is investing significant resources into Medical Assistance (MA) services for asthma treatment. Furthermore, asthma is a statewide medical issue and its treatment and control is not well served through geographic earmarks. Therefore, I am vetoing these sections and eliminating this special grant to Milwaukee County.

Medical Assistance as well as the BadgerCare program currently cover case management services for children with asthma, including comprehensive assessments of the child's needs, the development of an individualized case plan and on-going monitoring of the child. The department also encourages health maintenance organizations (HMOs) to report on the asthma care received by MA and BadgerCare recipients in their respective areas of service and will begin including performance measures tracking asthma care in the department's contracts with HMOs. These initiatives represent just a few of several state programs that address asthma issues.

9. Standards for Health Maintenance Organizations

Sections 1787m, 1787mg, 9323 (15k) and 9423 (12p)

These sections require all health maintenance organizations (HMOs) serving Medical Assistance (MA) and BadgerCare recipients within a specific zip code to have a sufficient number of primary care providers available within thirty miles of that zip code. This provision was intended to broaden the number of primary care providers to which MA or BadgerCare recipients have access. While I support ensuring recipients have sufficient access to care, this policy item will not have any measurable effect on access issues.

The Department of Health and Family Services currently requires these HMOs to have a sufficient number of primary care providers within twenty miles of the zip code in which they serve recipients. I feel that a narrower radius is more beneficial to participants in that it ensures more providers are available closer to an individual's home. Furthermore, by specifying a radius in state statute, the department's authority to administratively respond to unique geographical access issues would be limited. Therefore, I am vetoing these sections and retaining the department's current authority to address primary care access issues through its administrative authority.

10. Medical Assistance Income Limit for Medically Needy Recipients

Sections 1797g, 1797j, 1798g, 1800m, 1804g, 1804m, 1805d, 1815g, 1815j, 9323 (10d) and 9423 (6d)

These provisions provide \$500,800 GPR in fiscal year 2002-03 in order to expand Medical Assistance (MA) eligibility by increasing the income limit for medically needy

recipients by the annual increase in the consumer price index. This change would not be effective until January 1, 2003.

Under current law, individuals who are not categorically eligible for MA can "spend down" their incomes to the medically needy limit to qualify for assistance. Some families have difficulty obtaining and maintaining coverage under this provision because the spend down threshold is capped at 133 percent of the Aid to Families with Dependent Children income limit in 1996, which is \$596 for a family of two. While I am sympathetic to families who have difficulty obtaining services under the medically needy criteria, the tight fiscal constraints faced by the state make additional expansions of the MA program problematic. Since these annual adjustments will be only partially implemented in fiscal year 2002-03, they will add approximately \$500,000 GPR to the structural deficit facing the state at the start of the 2003-05 biennium. Therefore, I am vetoing these provisions to maintain the current income threshold for those seeking MA under the medically needy eligibility category. Furthermore, I am requesting that the Department of Administration secretary place \$500,800 GPR in fiscal year 2002-03 in unallotted reserve in appropriation s. 20.435 (4) (b) to lapse to the general fund.

11. Transfer of Medical Assistance Funds to Community Options Program

Sections 1778d, 1778h, 1778p and 1778r

These sections require the Department of Health and Family Services to submit annually a report to the Joint Committee on Finance on the utilization of nursing home beds funded by Medical Assistance (MA) program benefits. These provisions further require the department to submit an annual proposal to the Joint Committee on Finance, under 14-day passive review, to transfer MA funds to the Community Options Program (COP) if the report shows decreasing MA nursing home bed utilization. The specific amount the department must transfer to COP is equal to the decrease in nursing home bed utilization over the prior two fiscal years multiplied by the average cost of a nursing home bed in the most recently completed fiscal year. This provision does not require the Joint Committee on Finance to consider the overall fiscal condition of the MA program before approving this transfer.

Under current law, the department may transfer surplus MA funds budgeted for nursing homes to COP, but such transfers may occur only if there is an overall surplus in the MA benefits appropriation. While I support community-based strategies for providing long-term care services, I object to this requirement to transfer MA funds to COP even if the MA budget is in deficit. Such a transfer would simply worsen a deficit which can only be filled by appropriating additional general purpose revenue. Transfers made in one fiscal year should not be dictated by occurrences in prior years, because the factors contributing to the situation in the past may not recur or persist in the present.

Therefore, I am vetoing these provisions, reinstating the Department of Health and Family Services' current authority to transfer MA nursing home funds to COP if a surplus in the entire MA program exists.

12. Health Insurance Supplement for Community Disability Service Providers

Sections 395 [as it relates to s. 20.435 (4) (bu)], 707r, 707s, 9123 (13q) and 9423 (15r)

These sections provide a \$250,000 GPR supplement in fiscal year 2001-02 to providers under the home- and community-based waiver programs to meet the costs of providing employee health insurance. While I acknowledge that health insurance costs can be significant for these facilities, such costs are not unique to these providers. Any health care provider, company or small business faces similar cost pressures, and I see no justification for providing a special supplement only to community-based waiver program providers. Therefore, I am vetoing these sections and eliminating the supplement.

13. Medical Assistance Speech Therapy Services

Section 395 [as it relates to s. 20.435 (4) (b) and (bc)]

This provision includes a 76 percent increase in rates paid for speech therapy services, costing \$250,000 GPR and \$354,000 FED in fiscal year 2002-03. Although there is no language in the budget bill that authorizes these increases, the Legislature passed a motion and an amendment during its deliberations to authorize funding increases in this service area.

Although I understand and appreciate the value of speech therapy services, I cannot justify a rate increase of this magnitude, given the fiscal constraints of the budget. Rates for noninstitutional providers, which includes speech therapy services, were already increased in the budget by 2.5 percent in each year. Further rate increases cannot be justified given the current fiscal situation of the state. Thus, I am decreasing the Department of Health and Family Services' appropriations under s. 20.435 (4) (b) by \$246,000 GPR in fiscal year 2002-03 and s. 20.435 (4) (bc) by \$4,000 GPR in fiscal year 2002-03. This veto is part of a larger write-down of the Medical Assistance appropriation. I am requesting the Department of Administration secretary not to allot these funds.

14. Adult Day Care Certification Fee

Section 1791i

This section removes the Department of Health and Family Services' authority to change the fee for the certification of adult day care facilities through administrative rule. Under current law, the department charges a fee equal to a flat rate of \$89 plus a variable rate of \$17.80 multiplied by the number of clients the facility serves. The department's practice is to multiply this variable rate by the maximum number of individuals a facility is capable of serving, not necessarily the actual number of persons receiving adult day care services. The budget bill changes this fee to a flat rate of \$100 per facility.

While I support changing the fee, I object to removing the department's authority to change the fee through administrative rule. By setting the fee at a flat rate per facility, the revenue received by the department for administering this license will be reduced

from approximately \$31,600 PR per year to \$5,000 PR per year. This reduction leaves the department with virtually no funds to monitor these facilities. While I understand that the current fee may be considered excessive by facilities equipped to serve large numbers of individuals, I maintain the department should have the ability to reasonably increase its fees so that it may respond to future program needs.

Therefore, I am vetoing the section to retain the department's authority to change the fee through administrative rule. Under this veto, any increase to the fee must be approved through the rules process which is overseen by the Legislature.

15. Licensure for Respite Facilities

Sections 1877g, 1877h, 1877i, 1894r, 1897g, 1900b, 1900c, 1900d, 1900e, 1900f, 1900g, 1900h, 1900i, 1900j, 1900k, 1900L, 1900m, 9123 (18f) and 9423 (18f)

These sections would require the Department of Health and Family Services to create a new type of licensure for facilities serving individuals with similar disabilities over the age of two. Facilities receiving this license would be allowed to provide respite, residential care to both children and adults, serving up to ten individuals under a single license. Under current law, a facility seeking to provide these services would need to obtain licenses both as a group or foster home and as a Community-Based Residential Facility.

The intent of these sections was to allow a provider to serve both adults and children under only one license. However, since these provisions do not extend coverage to children under Chapter 48 of state statutes, which provides legal rights for children in out-of-home placement settings, a facility seeking this new respite licensure would still have to obtain a group foster home license in order to legally provide respite care for children.

While I support efforts to improve the access to respite care for both adults and children, I object to this provision because it replaces one form of dual licensure with a new dual licensure. This new licensure category is not likely to result in any additional flexibility to providers than available under current law and administrative rules. Furthermore, the department has the authority to waive portions of current license rules in order to accommodate providers demonstrating a unique need.

Therefore, I am vetoing these sections, eliminating this new form of respite licensure. I am further directing the department to develop a waiver process for facilities seeking to serve individuals with similar disabilities over the age of two, in order to find new strategies to improve the supply of respite care in Wisconsin.

16. Fees for Health Care Records

Sections 2850bg, 2850bh, 2850bi, 3872x, 3872y, 9123 (14g) and 9423 (16f)

These provisions require the Department of Health and Family Services to develop uniform rules by January 1, 2003, on fees to be charged for providing copies of health

care records. The language identifies all of the items to be considered in establishing such charges.

I am vetoing these provisions because they are duplicative. Current law already provides the department with the authority to develop such rules. I am directing the department to develop these rules in conformance with the intent of the provisions being vetoed and submit these rules to the Department of Administration secretary for review and, with his concurrence, forward the rules to the standard rule-making process.

17. Acquired Immunodeficiency Syndrome (AIDS) Funding

Sections 3140c and 3140m

Section 3140c requires that all funding for life care services and early intervention be granted to the AIDS services organizations throughout the state. I am partially vetoing this section to ensure that the Department of Health and Family Services can continue to provide grants to a variety of organizations including, but not limited to, the AIDS services organizations. This section also includes housing assistance as an eligible service. I am partially vetoing this provision to retain the current allowable services because housing assistance can be funded from other sources.

Section 3140m authorizes funding for an African-American family resource center in Milwaukee targeting AIDS prevention efforts to families. I am vetoing funding in fiscal year 2002-03 so that an ongoing commitment is not made to this organization and requesting that the Department of Administration secretary place \$62,500 GPR in fiscal year 2002-03 in unallotted reserve in the Department of Health and Family Services' appropriation s. 20.435 (5) (am) to lapse to the general fund.

18. Statewide Trauma System

Sections 174p, 670, 2850ag, 9123 (12r), 9123 (12s) and 9152 (2t)

These provisions require the Department of Transportation to provide federal highway safety funds to the Department of Health and Family Services to fund two project positions to develop the statewide trauma system and to provide grants to regional trauma councils as established through these provisions. Although I support the statewide trauma system, I am vetoing provisions relating to this transfer of funds because I believe these federal funds are more appropriately used to improve highway safety. Dedication of these funds to the trauma system program would also result in reductions in other highway safety grants, which is counterproductive. I am also vetoing the requirement that regional trauma advisory councils be established because there will not be funding to support these councils.

19. Assessment on Small Employer Insurers

Section 2850dm, 2850Ldc, 2850Ldm, 2850Le [as it relates to the small employer insurer assessment], 2850Lem, 2850Lj [as it relates to the small employer insurer assessment], 2850Ln [as it relates to the small employer insurer assessment] and 3766r

These provisions establish a penalty that would be assessed on small employer insurers that terminate health coverage and whose enrollees subsequently enroll in the Health Insurance Risk Sharing Plan (HIRSP). The penalty would be used to reduce the policyholders' premiums and the assessment on insurers that is currently part of the financial support for HIRSP. I am vetoing these provisions because they are directly counter to our efforts to encourage a broader market for health care policies sold to small businesses. It would also be administratively difficult to calculate the penalty, which could actually increase HIRSP program costs because the Department of Health and Family Services would have to contract for additional actuarial services.

Section 3766r eliminates the Commissioner of Insurance's ability to grant exceptions to certain regulations that pertain to the small employer insurers market. I am vetoing this section because I object to the limitation it places on the commissioner's ability to protect policyholders.

20. Health Insurance Risk Sharing Plan Study

Section 9123 (16mn)

This section requires the Health Insurance Risk Sharing Plan (HIRSP) board of governors to study alternative funding sources for the HIRSP program and submit a report on its findings by January 1, 2002, to the standing committees of the Legislature that examine health-related issues and to the Joint Committee on Finance. I am vetoing this provision because another study of this issue is unnecessary. When this program was transferred from the Office of the Commissioner of Insurance to the Department of Health and Family Services, the Governor's Office, the Legislature, the board, service providers and insurers all worked together to establish funding that is equitable for all affected parties.

21. Disease Aids Rebate

Section 1838c

This section establishes a rebate program for drug manufacturers that participate in providing drugs under the disease aids program similar to the rebate program under Medical Assistance (MA). However, unlike the MA rebate program, this rebate language would exempt manufacturers for a ten-year period from a penalty which is assessed when their drug prices are higher than the consumer price index. This would result in fewer dollars available to support the program and would be very difficult to administer. As a result, I am vetoing this section so that the rebate program is the same as the MA rebate program.

22. Vital Records Fees

Sections 2095g, 2095h, 2095i and 2096c

These provisions change the fees charged for vital records for events that occurred before 1930. Marriage, divorce and death record charges would change from \$7 to \$3 and birth certificates would be reduced from \$12 to \$3. Additional copies of any of these records would be \$1. While such a change would be beneficial to genealogists who conduct record searches, it reduces revenue to the vital records section which sets its rates to cover program expenses. More importantly, the change in fees would result in reduced revenue to the Child Abuse and Neglect Prevention Board which receives \$7 from the \$12 charged for a birth certificate to support its program. Because of the loss in revenue and the inequity of charging two sets of fees, I am vetoing these sections.

23. Cash Accounting for Certain Appropriation

Section 248t

This section exempts the conditional and supervised release appropriation, s. 20.435 (2) (bj), from state accounting standards that require state agencies to use accrual accounting so that a service provided in June of one fiscal year would be paid in July of the next fiscal year. This change allowed one month of the program's funding to be lapsed on a one-time basis. While the funds cannot be restored, I am vetoing this section so that funds can be properly accounted for as required under state accounting standards. Should program funding budgeted in fiscal year 2001-02 be insufficient, there are processes under which the Department of Health and Family Services can seek reallocation of base funds for use in this program.

24. Sexually Violent Persons' Mail

Section 1993n

This section specifies that mail which is considered to be privileged, such as from an attorney, sent to sexually violent persons at the Sand Ridge Secure Treatment Center must be opened in the presence of the person. It also authorizes staff, if they have reason to suspect that the mail could cause a security problem, to open and read nonprivileged mail. I am partially vetoing this section to allow staff to open any mail outside the presence of the person and inspect it for contraband. Opening mail in the presence of the person could create security problems and interfere with the person's treatment program.

25. Lie Detector Tests

Section 1967p

This section allows staff at the Sand Ridge Secure Treatment Center to administer lie detector tests to sexually violent persons as part of their treatment plan. The language also specifically prohibits staff from asking the person about offenses committed for

which the person was not convicted. One of the goals of treatment is for these people to take responsibility and acknowledge the sexual crimes they have committed. Not being able to question the predator about these past incidents is detrimental to achieving treatment goals. Patient advocates have expressed concerns about staff asking about specific details of a previously undetected crime that could result in new charges being brought. As part of a compromise with that group, the Department of Health and Family Services proposed that staff could question the predator about previous incidents but not about specific details such as the victim's name or the place the assault took place. As a result, I am partially vetoing this section and requesting the Department of Health and Family Services to seek legislation restoring the language in the original, agreed-upon proposal.

26. Community-Based Waiver Programs

Section 395 [as it relates to s. 20.435 (4) (b) and (7) (bd)]

Section 395 [as it relates to s. 20.435 (4) (b)] appropriates \$2,898,600 GPR in fiscal year 2001-02 and \$6,796,800 GPR in fiscal year 2002-03 to fund: (a) 388 new placements in fiscal year 2001-02 and an additional 300 placements in fiscal year 2002-03 for the Community Integration Program for persons with developmental disabilities (CIP 1B); (b) a daily rate increase from \$48.33 to \$49.67 in fiscal year 2001-02 and from \$49.67 to \$50.33 in fiscal year 2002-03 for CIP 1B; and (c) a daily rate increase from \$40.78 to \$41.86 in fiscal year 2001-02 and from \$41.86 to \$42.23 in fiscal year 2002-03 for the Community Integration Program for persons relocated or meeting reimbursable levels of care (CIP II). Section 395 [as it relates to s. 20.435 (7) (bd)] appropriates \$2,851,300 GPR in fiscal year 2001-02 and \$7,147,300 GPR in fiscal year 2002-03 for 1,000 new placements in fiscal year 2001-02 and 960 additional new placements in fiscal year 2002-03 for the Community Options Program-Waiver (COP-W). Although there is no language in the budget bill that authorizes these increases, the Legislature passed a motion and an amendment during its deliberations to authorize funding increases in CIP 1B, CIP II and COP-W.

Given the future deficit created in this budget by unfunded commitments to program expansions, I cannot support the funding increases in these programs at the levels approved by the Legislature. However, because I understand the importance of providing alternatives to institutional care, I am approving an increase of \$3,760,900 GPR in fiscal year 2001-02 and \$7,394,100 GPR in fiscal year 2002-03 to fund: (a) 250 new CIP 1B placements in calendar year 2002; (b) a daily rate increase for CIP 1B from \$48.33 to \$49.67 in fiscal year 2002-03; (c) a daily rate increase for CIP II from \$40.78 to \$41.86 in fiscal year 2002-03; and (d) 1,000 new COP-W placements in calendar year 2002.

Wisconsin has made a significant investment in community-based programs and services and I want to continue that commitment. This increase will provide reasonable growth for the community-based waiver programs but at a level that is within the state's financial means. In addition, it is important to note that the budget includes a 2.5 percent annual increase for personal care and home health agencies who provide services to individuals in the CIP 1B and CIP II programs.

Thus, I am decreasing the Department of Health and Family Services' s. 20.435 (4) (b) appropriation by \$1,989,000 GPR in fiscal year 2001-02 and \$3,855,400 GPR in fiscal year 2002-03. This veto is part of a larger write-down of the Medical Assistance appropriation. I am also decreasing the department's s. 20.435 (7) (bd) appropriation by \$2,694,600 GPR in fiscal year 2002-03. I am requesting the Department of Administration secretary not to allot these funds.

27. Community-Based Residential Facilities

Section 1504r

This section repeals the provision allowing counties to establish more restrictive conditions for Community Options Program (COP) waiver funding in Community-Based Residential Facilities. I am vetoing this section because I want counties to retain the flexibility to administer the COP waiver program in a manner that meets their community needs and priorities.

28. Legislative Council on Developmental Disabilities Recommendations

Sections 174g, 174h, 9123 (16r), 9123 (16rq) and 9123 (16rs)

Section 174g adds four members of the Legislature, one each designated by the Assembly speaker, the Senate majority leader and the minority leader of each house of the Legislature and appointed by the Governor to the Council on Developmental Disabilities. I am vetoing section 174g because federal law requires that a minimum of sixty percent of the council's membership consist of persons with developmental disabilities, their parents or guardians. The addition of four legislators will require the appointment of an additional six individuals to meet federal requirements, which will decrease the effectiveness of the council by increasing its size from 26 to 36 members.

Section 174h requires that the Council on Developmental Disabilities, by January 31 of each year, submit a report to the Legislature on an evaluation of waiting lists compiled by the Department of Health and Family Services for services for persons with developmental disabilities. I am vetoing this section because the council currently evaluates the waiting lists and its evaluation is available to all interested parties.

Section 9123 (16r) requires the department to develop a plan to administer and fund services for people with developmental disabilities. The plan, which must be submitted to the Department of Administration for the 2003-05 biennial budget, must include the following provisions: (a) consolidate administration of both institutional and community-based services within the department's subunit responsible for community-based services for people with developmental disabilities; (b) combine funding under the Medical Assistance (MA) program for institutional services and community-based waivers for people with developmental disabilities into one appropriation, to the extent possible under federal law; and (c) ensure that funding in the MA appropriation not be tied to any specific program or service setting and be individually tailored to enable the person to live in the least restrictive environment appropriate to his or her needs and preferences.

Section 9123 (16rq) requires the department to determine whether any new federal waivers under the MA program are necessary to administer funding for MA services as described in section 9123 (16r). The department shall apply for any waivers of federal MA statutes and regulations that the department determines are necessary to administer funding for MA services as described in 9123 (16r).

I am vetoing sections 9123 (16r) and 9123 (16rq) because the department is in the best position to determine the organizational structure that will most efficiently strengthen the delivery system for individuals with long-term care needs, including the developmentally disabled. In addition, placing institutional and community-based funding in one appropriation and having administration of institutional and community-based services in a single subunit of the department will not necessarily improve services for the developmentally disabled.

Section 9123 (16rs) requires the department, as soon as possible before July 1, 2002, to seek waivers of federal MA statutes and regulations that are necessary to implement a pilot program for long-term care of children with disabilities. If the federal waivers are received, the department is required, as soon as possible before July 1, 2002, to seek enactment of statutory language to implement the pilot program.

While maintaining the language that requires the department to seek the waiver and enactment of statutory language, I am partially vetoing this section to remove the requirement that it do so as soon as possible before July 1, 2002. I am concerned that the department will not be able to have the federal waiver approved by July 1, 2002. I am directing the secretary of the Department of Health and Family Services, if the waiver is received, to submit enabling legislation to the Department of Administration for the 2003-05 biennial budget.

Section 9123 (16rs) also provides that, if the waivers are granted, that the pilot program do the following: expand eligibility under the MA community-based waiver, Birth to Three and Family Support programs to include children with severe disabilities and long-term care needs and children eligible for MA with high medical costs; expand MA coverage of services to include services focused on the needs of children with developmental disabilities and their families; and require the department to provide transitional services to families whose children with physical or developmental disabilities are preparing to enter the adult service system. I am partially vetoing this section to remove these provisions because I object to expanding the MA program and am concerned about the fiscal impact in the 2003-05 bicnnium if the department must provide the transitional services. However, I want children and families to receive the transitional planning needed to enter the adult system. I am therefore requesting the secretary of the Department of Health and Family Services to ensure that transitional planning is part of the federal waiver request.

29. Family Care

Sections 395 [as it relates to ss. 20.432 (1) (k) and 20.435 (4) (b), (bm) and (bn) and (8) (a)], 1520d, 1520e, 1520w and 4060c

Section 395 [as it relates to ss. 20.432 (1) (k) and 20.435 (4) (b), (bm) and (bn) and (8) (a)] appropriates \$255,000 GPR in fiscal year 2001-02 and \$4,012,100 GPR in fiscal

year 2002-03 for the following: (a) \$3,032,100 GPR in fiscal year 2002-03 for expansion of the Family Care pilot program to Kenosha County; (b) \$700,000 GPR in fiscal year 2002-03 as start-up funds for expansion of Family Care to five additional counties in the 2003-05 biennium; (c) \$5,000 GPR in each fiscal year for administrative costs associated with the Council on Long-Term Care; and (d) \$250,000 GPR in fiscal year 2001-02 and \$275,000 GPR in fiscal year 2002-03 for a Family Care external advocacy program that the Department of Health and Family Services contracts for with the Board on Aging and Long-Term Care and 1.0 FTE PR-S position to administer the program. Although there is no language in the budget bill that authorizes these increases, the Legislature passed a motion and an amendment during its deliberations to authorize funding increases for these purposes.

Family Care is a pilot program designed to test a new model for the provision of long-term care services. It involves an extensive redesign of the current system, which is often fragmented and confusing. While preliminary evaluations appear to be quite positive, the program's significant costs compel me to delay further expansion until the full evaluation of the program is completed in September 2002. With this evaluation, we should have better information to understand the cost effectiveness of the program, both in terms of the cost per person served as well as the overall cost of the pilot compared to current programs, and the quality of services received by participants and their families.

To reflect the elimination of funding for Kenosha County and the funding for the expansion to five additional counties in the 2003-05 biennium, I am decreasing the following Department of Health and Family Services' appropriations: s. 20.435 (4) (b) appropriation by \$2,963,700 GPR in fiscal year 2002-03, s. 20.435 (4) (bn) appropriation by \$33,400 GPR in fiscal year 2002-03 and s. 20.435 (8) (a) appropriation by \$735,000 GPR in fiscal year 2002-03. This veto is part of a larger write-down of the Medical Assistance appropriation. I am requesting the Department of Administration secretary not to allot these funds.

Sections 1520d, 1520e, 1520w and 4060c extend the sunset date for the Council on Long-Term Care from July 1, 2001, to July 1, 2003. I am vetoing these sections because 1999 Wisconsin Act 9 created the council primarily to advise the department on the development of the Family Care pilot program, and the development phase is complete. The secretary has the administrative ability to seek advice from groups and individuals interested in Family Care implementation and other long-term care issues. Thus, I am decreasing the department's s. 20.435 (8) (a) appropriation by \$5,000 GPR in fiscal year 2001-02 and \$5,000 GPR in fiscal year 2002-03. I am requesting the Department of Administration secretary not to allot these funds.

Finally, I object to funding for a separate external advocacy program for individuals applying for, or enrolled in, Family Care. The department has grievance procedures in place that individuals can utilize if they are not satisfied with their Family Care eligibility or level of services. Thus, I am decreasing the department's s. 20.435 (4) (bm) appropriation by \$250,000 GPR in fiscal year 2001-02 and by \$275,000 GPR in fiscal year 2002-03 and the Board on Aging and Long-Term Care's s. 20.432 (1) (k) appropriation by \$500,000 PR-S in fiscal year 2001-02 and \$550,000 PR-S in fiscal year 2002-03. I am requesting the Department of Administration secretary not to allot these funds. I am also requesting the Department of Administration secretary not to authorize the 1.0 FTE PR-S position for the Board on Aging and Long-Term Care.

30. Elder Abuse Services

Section 395 [as it relates to s. 20.435 (7) (dh)]

Section 395 [as it relates to s. 20.435 (7) (dh)] appropriates \$1,500,000 GPR in each fiscal year for funding to counties for direct services for the elderly who have been determined to be abused or neglected. Although there is no language in the budget bill that authorizes these increases, the Legislature passed a motion and an amendment during its deliberations to authorize the funding increase. I object to the funding increase in fiscal year 2001-02. The Department of Health and Family Services contracts with counties on a calendar year basis and I am willing to approve a \$750,000 increase in fiscal year 2001-02. Thus, I am decreasing the department's s. 20.435 (7) (dh) appropriation by \$750,000 GPR in fiscal year 2001-02. I am requesting the Department of Administration secretary not to allot these funds.

31. Life Span Respite Care

Section 395 [as it relates to s. 20.435 (7) (br)]

Section 395 [as it relates to s. 20.435 (7) (br)] appropriates \$112,500 GPR in each fiscal year for the Life Span Respite Care program. Although there is no language in the budget bill that authorizes these increases, the Legislature passed a motion and an amendment during its deliberations to authorize the funding increase. I object to the funding increase for this program. A fifty percent increase in funding is unwise when the state faces a significant structural deficit in the 2003-05 biennium. In addition, an evaluation of this new program is to be completed by June 1, 2004, and it is prudent to wait for the results before considering additional funding. Thus, I am decreasing the Department of Health and Family Services' s. 20.435 (7) (br) appropriation by \$112,500 GPR in fiscal year 2001-02 and \$112,500 GPR in fiscal year 2002-03. I am requesting the Department of Administration secretary not to allot these funds.

32. Mental Health Systems Change Grants

Section 1562

This section details the requirements that the Department of Health and Family Services must meet in administering mental health systems change grants. I am partially vetoing this section to remove language that limits the awarding of these grants to a nonprofit, tax-exempt corporation or a county because I want the Department of Health and Family Services to have the flexibility to award grants to the best applicants, regardless of organizational structure.

33. Community Support Program

Sections 395 [as it relates to s. 20.435 (7) (bL)] and 1971L

Sections 395 [as it relates to s. 20.435 (7) (bL)] and 1971L appropriate \$1,000,000 GPR in each fiscal year as the state share of Medical Assistance benefits for the Community

Support Program. I object to the funding increase in fiscal year 2001-02. The Department of Health and Family Services contracts with counties on a calendar year basis and I am willing to approve a \$500,000 GPR increase in fiscal year 2001-02. Thus, I am decreasing the department's s. 20.435 (7) (bL) appropriation by \$500,000 GPR in fiscal year 2001-02. I am requesting the Department of Administration secretary not to allot these funds.

34. Community-Based Psychological Service Program

Section 9123 (8d)

This section requires the Department of Health and Family Services to submit a report to the Joint Committee on Finance on the status of the implementation of the Community-Based Psychological Service Program. The report must be submitted by the first day of the sixth month after the effective date of the budget bill. I am vetoing this section because this service, if implemented, would be a new Medical Assistance benefit that must be offered as an entitlement. This service was authorized by the Legislature with the expectation that counties would pay the state share. However, in the event that counties would not adequately fund or make available the services, the state would be responsible for assuring adequate access to the benefit statewide.

35. Drug Prevention and Intervention Grant

Section 1557v

This section requires the Department of Health and Family Services to distribute \$30,000 GPR in each fiscal year to the Career Youth Development Center for drug prevention and intervention programs for middle and high school athletes in the Milwaukee public school system. I am vetoing section 1557v because, while the provision has laudable goals, the state cannot afford the associated costs in this budget. I am requesting the Department of Administration secretary to place \$30,000 GPR in fiscal year 2001-02 and \$30,000 GPR in fiscal year 2002-03 in unallotted reserve in the Department of Health and Family Services' appropriation s. 20.435 (7) (bc) to lapse to the general fund.

36. Milwaukee Child Welfare Operations

Sections 1618r and 9123 (12zk)

Section 1618r requires the Department of Health and Family Services to promulgate rules regulating the administration of child welfare services in a county having a population of 500,000 or more. The rules must include provisions for: (a) contracting processes; (b) grievance procedures; (c) caseload ratios; (d) standards for the provision of services; and (e) citizen participation. Section 9123 (12zk) requires that the rules be submitted to the Legislature no later than the first day of the ninth month beginning after the effective date of the budget bill.

I am vetoing these sections because the Department of Health and Family Services has existing policies, procedures and standards which address the areas identified in section 1618r. In addition, I want the department to focus existing resources on the management of the child welfare system in Milwaukee, rather than the administrative work load associated with promulgating administrative rules.

37. Kinship Care Funding Supplementation

Section 1629x

This section authorizes the Joint Committee on Finance to supplement the kinship care appropriation under s. 16.515 if the amounts budgeted for the program are insufficient to fund benefit payments to all eligible families. I am vetoing this provision because the biennial budget provides a level of funding that fully funds the projected kinship care caseload. In addition, the Department of Health and Family Services has the administrative flexibility to reallocate funding among counties if waiting lists become a problem.

38. Medical Assistance For Foster Care Adolescents

Sections 1799f, 1968d, 1968dh, 9323 (16f) and 9423 (17g)

These sections extend Medical Assistance (MA) eligibility to any individual who is at least nineteen years of age but under twenty years of age and who, on his or her eighteenth birthday, was in foster care or treatment foster care, as determined by the Department of Health and Family Services. They also give second priority for county substance abuse services to individuals who are twenty years of age and were eligible for MA under the provision contained in section 1799f and give first priority for county mental health services to individuals who are twenty years of age and were eligible for MA under the provision contained in section 1799f. These provisions are effective on January 1, 2003. I am vetoing these provisions because I am very concerned about the advanced funding commitments created by this extension of MA eligibility. In addition, I am directing the department to conduct a cost benefit analysis to determine if the extension of MA benefits is cost effective in the long run. Based on the results of this study and if revenue is available in the 2003-05 biennium, I am willing to reconsider this MA eligibility issue.

39. Targeted Case Management Reimbursement Lapse

Section 9223 (5zk)

Section 9223 (5zk) requires the Department of Administration secretary to lapse \$3,008,300 in fiscal year 2001-02 and \$3,328,500 in fiscal year 2002-03 from Medical Assistance (MA) reimbursement of the cost of providing targeted case management services to children whose care is not eligible for reimbursement under Title IV-E of the federal Social Security Act.

I am partially vetoing section 9223 (5zk) to delete the requirement that revenues for the lapse come from reimbursement of the cost of providing targeted case management services to children whose care is not eligible for reimbursement under federal Title IV-E. The Department of Health and Family Services has recently determined that it is uncertain whether the targeted case management reimbursement revenues will be sufficient to satisfy the required lapse amounts. In addition, some counties are currently claiming MA reimbursement for targeted case management and using the federal revenues to fund social services, particularly for children with mental health needs. Counties would lose these revenues if they were lapsed under section 9223 (5zk). The effect of this veto will be to allow the department to use income augmentation revenues to meet the required lapse and allow counties to continue to use the targeted case management funds.

40. Income Augmentation

Sections 732q, 1557jd, 1557k, 9123 (9bk) and 9323 (16k)

Sections 732q, 1557jd and 9323 (16k) require the Department of Health and Family Services to perform activities to augment the amount of federal moneys received by the state and prohibits the department from contracting with any person to perform these augmentation activities. Section 9123 (9bk) authorizes 1.0 FTE FED position, funded with income augmentation revenues, to perform income augmentation activities. I am partially vetoing section 732q and vetoing sections 1557jd, 9123 (9bk) and 9323 (16k) because I want the department to have the flexibility to augment federal income in a manner that maximizes the amount of revenue the state receives from the federal government. The work of the vendor currently under contract with the department has enabled the state to receive over \$102,000,000 in additional federal revenue. I am requesting the Department of Administration secretary not to authorize the 1.0 FTE FED position in fiscal year 2001-02 and not to allot \$43,800 FED in fiscal year 2001-02 and \$49,700 FED in fiscal year 2002-03 for the cost of the position.

Section 1557k repeals the current law provision that allows the department to submit a plan to the Department of Administration secretary for use of income augmentation revenues for purposes other than the operational costs exclusively related to augmenting federal income. I am vetoing section 1557k because I want the administration to retain the flexibility to use income augmentation funding to meet state and department needs with the approval of the Joint Committee on Finance.

41. Food Pantry Grants

Sections 395 [as it relates to s. 20.435 (3) (fp)], 701h, 1568b and 9123 (4h)

Sections 395 [as it relates to s. 20.435 (3) (fp)], 701h and 1568b: (a) appropriate \$750,000 GPR in each fiscal year for grants to food pantries to purchase, store, transport and distribute food to needy households; (b) specify that the total amount of each grant cannot exceed \$15,000 and that each grant awarded be in proportion to the number of persons served by the food pantry; (c) specify the criteria for allocating funding between rural food pantries and the rest of the state; (d) specify the requirements for a food pantry to be eligible for a grant; (e) limit the amount that the

Department of Health and Family Services may use for administration of the program to five percent of the total amount appropriated; and (f) require each grantee to submit a report to the department on how the funds were used and require the department to compile the reports and submit the results to the Legislature. Section 9123 (4h) requires the department, within ninety days after the effective date of the budget bill, to submit a plan to the Joint Committee on Finance, under a 14-day passive review process, for distributing grants to food pantries.

I am concerned about the future funding commitment created by this new program. I am vetoing the second year funding of \$750,000 GPR and directing the secretary of the Department of Health and Family Services to ensure that applicants receive funding on a one-time basis and that the funding be used for emergency assistance. I am vetoing the provisions that specify a \$15,000 limit on a grant, the criteria for awarding grants to individual food pantries and allocating grants between rural pantries and the rest of the state, and the requirements for food pantries to be eligible for a grant. The department, because of its expertise in the state's food programs, is best able to determine how the funds should be allocated to meet the needs of individual communities. I am directing the secretary of the Department of Health and Family Services to develop a distribution method and to distribute grants to the state's existing emergency food assistance programs that meet the state and federal standards.

I am vetoing the provision that restricts state administrative costs to five percent of the amount appropriated because it limits program flexibility. I am directing the secretary of the Department of Health and Family Services to limit administrative costs to five percent and to set aside \$50,000 for distribution and storage of federal bonus food. This will ensure that the state has the necessary funding for the next delivery of federal bonus food. I am also vetoing the provision that requires the grantees to submit a report to the department on the use of the funds and requires the department to compile the reports and submit them to the Legislature because the funding will be one-time and for emergency assistance. The department can summarize the results of the program in its annual hunger report which is submitted to the Legislature. Finally, I am vetoing section 9123 (4h) because I want the department to quickly distribute the grants for emergency assistance.

42. Publicity for Alzheimer's Disease Registration and Funding for Assistive Technology

Sections 395 [as it relates to s. 20.435 (6) (a)], 721r, 721s, 725, 726p, 726q, 1568c, 9123 (15j) and 9423 (18j)

Sections 395 [as it relates to s. 20.435 (6) (a)], 721r, 721s and 1568c appropriate \$30,000 GPR in each fiscal year for the Department of Health and Family Services to publicize the existence of a program administered by a nongovernmental entity that registers persons with Alzheimer's disease or other related dementias and provides identification products in order to facilitate the safe return of persons who become lost or wander. Although there is no language in the budget bill that authorizes these increases, the Legislature passed a motion and an amendment during its deliberations to authorize the funding increase.

I am partially vetoing section 395 [as it relates to s. 20.435 (6) (a)] and vetoing section 1568c because, while this provision has laudable goals, the state cannot afford the cost of a publicity campaign in this budget. In addition, the department currently funds the Alzheimer's Family and Caregiver Support program and provides funding for training and information on Alzheimer's disease. Thus, I am decreasing the department's s. 20.435 (6) (a) appropriation by \$30,000 GPR in fiscal year 2001-02 and \$30,000 GPR in fiscal year 2002-03. I am also requesting the Department of Administration secretary not to allot these funds.

Sections 721r, 721s, 725, 726p, 726q, 9123 (15j) (a), (b), (c) and (d) and 9423 (18j) provide one-time funding for the following: (a) \$15,000 GPR annually to the Department of Health and Family Services for technical assistance; (b) \$15,000 GPR annually to Easter Seals for specialized assistance to persons in the agricultural industry; (c) \$20,000 GPR annually for the Wheelchair Recycling program; and (d) \$150,000 GPR annually to Independent Living Centers. I am vetoing sections 726p, 726q and 9123 (15j) (a), (b) and (d) and 9423 (18j), and partially vetoing sections 725 and 9123 (15j) (c) because this funding increase is unreasonable. The net effect of these vetoes is to only provide \$20,000 GPR in fiscal year 2001-02 for the Wheelchair Recycling program.

The department currently provides funds to Independent Living Centers and Easter Seals for assistive technology projects. I am concerned that the projects in this budget proposal are ongoing despite only receiving one-time funding. I am directing the secretary of the Department of Health and Family Services to ensure that the grant for the Wheelchair Recycling program involves only one-time projects.

Because sections 721r and 721s contain language related to both publicity activities for Alzheimer's disease registration and the objectionable portions of the assistive technology initiative, I am partially vetoing section 721r and vetoing section 721s.

I am requesting the Department of Administration secretary to: (a) place \$15,000 GPR in fiscal year 2001-02 and \$15,000 GPR in fiscal year 2002-03 in unallotted reserve in appropriation s. 20.435 (6) (a) to lapse to the general fund; (b) place \$15,000 GPR in fiscal year 2001-02 and \$35,000 GPR in fiscal year 2002-03 in unallotted reserve in appropriation s. 20.435 (7) (bc) to lapse to the general fund; and (c) place \$150,000 GPR in fiscal year 2001-02 and \$150,000 GPR in fiscal year 2002-03 in unallotted reserve in appropriation s. 20.435 (7) (c) to lapse to the general fund.

TOBACCO CONTROL BOARD

43. Tobacco Control Board Membership

Sections 173p, 173r, 173s and 9423 (12mk)

These provisions require that the Tobacco Control Board have fifteen members, including one legislator from each party in both houses and the Attorney General or his designee. I am vetoing these provisions because they unreasonably limit the executive branch. Board members must have the necessary backgrounds to ensure the state's tobacco control efforts are effective.

WORKFORCE DEVELOPMENT

44. W-2 Contract Prohibitions

Sections 1660d and 9358 (8c) [as it relates to s. 49.143 (2g)]

Section 1660d removes flexibility that the Department of Workforce Development currently has to manage resources for the Wisconsin Works (W-2) program, by prohibiting the department from transferring funds initially allocated for cash benefits to pay for costs associated with providing direct services to W-2 participants and administration of the W-2 program.

Section 1660d also stipulates that funding provided under a W-2 contract could not be expended by a W-2 agency for public relations activities, unless those activities are directly related to providing community outreach and informing participants about the services available under the W-2 program.

I object to this provision because it prevents the department from reallocating resources to the areas where they may be most needed, in order to manage the W-2 program efficiently and serve W-2 participants effectively. In addition, the prohibition on public relations spending is duplicative of federal law; the department currently administers a test to determine whether a W-2 agency's public relations activities conform to federal regulations. Further, it is unclear what activities constitute "community outreach," as the term is not defined.

I am vetoing section 1660d in its entirety, and partially vetoing section 9358 (8c), as it relates to s. 49.143 (2g), thereby maintaining current law. This will ensure that the department has the management tools necessary to administer the W-2 program efficiently and effectively.

45. Review of Expenditures and Reallocations

Sections 255p, 1716m, 1716o, 1716q, 1716s, 1716v and 1718

These sections eliminate the Department of Workforce Development's current authority to transfer funds from one allocation to another allocation under the Temporary Assistance for Needy Families (TANF) program [under s. 49.175 (1)] with approval from the Department of Administration secretary. Instead, these provisions stipulate that the department must meet certain requirements and obtain approval from both the Department of Administration secretary and the Joint Committee on Finance in order to reallocate funds under the TANF program. In addition, the department would be required to report annually to the Department of Administration secretary and the co-chairs of the Joint Committee on Finance on TANF expenditures for the previous fiscal year.

The transfer authority, which exists under current law, allows the department flexibility in making adjustments to its public assistance allocations, which are funded primarily with GPR and the federal TANF block grant. This flexibility is necessary in maintaining the department's ability to manage and respond to needed changes in the Wisconsin Works (W-2) program.

I am vetoing all of the new requirements concerning reallocation of funds, so that the department will retain the flexibility to reallocate resources as needed in order to administer the program efficiently and serve W-2 participants effectively. As with current practice, I direct the department to not request any reallocation that transfers more than ten percent from one allocation to another. I would be willing to support separate legislation to restore Joint Committee on Finance review of any transfer greater than ten percent.

I am also vetoing the requirement that the department submit annual reports on TANF expenditures to the Department of Administration secretary and the co-chairs of the Joint Committee on Finance, because I believe that it is unnecessary to require the report in statute. However, I do feel that such a report would provide useful information; therefore, I am directing the department to submit an annual report to the Department of Administration secretary on TANF expenditures for the previous fiscal year.

46. W-2 Contingency Fund

Section 961r

This section creates an appropriation for the Joint Committee on Finance to supplement appropriations for cash benefits for Wisconsin Works (W-2) participants, child care benefits, and kinship care and long-term kinship care benefits.

While I do not object to the contingency fund itself, I disagree with the purposes for which the fund may be used, as specified in the bill. Historically, the intent of the W-2 contingency fund was for cash assistance payments only, as a safeguard against times of economic downturn and increased caseloads.

The bill removes over \$12,000,000 associated with community reinvestment funds from the 1997-99 W-2 contracts, some of which was held by W-2 agencies as their own contingency funds. Further, as a means of fully funding the anticipated costs of the Wisconsin Shares child care subsidy program, the Legislature modified funding in the W-2 contracts from what my proposed budget included, by reducing funds for direct services and administration and by providing no increase for cash benefits. Given these reductions to the W-2 contracts and the loss of community reinvestment dollars for W-2 agencies, it would seem prudent to provide the contingency fund for the purpose that W-2 agencies suggest it would be most needed, namely, cash benefits.

I am partially vetoing this section to remove child care benefits and kinship care and long-term kinship care benefits as eligible uses for the W-2 contingency fund, in order to reserve the fund for the purpose for which it is most needed.

47. Changes to W-2 Geographical Regions in Milwaukee County

Section 1660g

This section requires the Department of Workforce Development to consult with the Milwaukee County Department of Human Services prior to implementing any changes to the Wisconsin Works (W-2) geographic regions in Milwaukee County. The department

would also be required to hold at least one public hearing in each of the Milwaukee W-2 regions that would be affected by any proposed change.

I object to this provision because it is unnecessary for the Legislature to add this type of requirement to the statutes. The department will solicit feedback and input from all affected parties on any plans to change the geographic regions in Milwaukee County.

I am vetoing this section to maintain current law.

48. Performance Bonuses and Performance Standards for W-2 Agencies

Sections 9158 (9e) (b) and 9158 (9e) (d)

Section 9158 (9e) (b) specifies in session law the amount that the Department of Workforce Development would be required to include in Wisconsin Works (W-2) contracts for performance bonuses for W-2 agencies that meet performance benchmarks, based on criteria established by the department. Section 9158 (9e) (d) codifies in session law several performance standards that the department would be required to include in W-2 contracts. The standards would be used to determine whether a W-2 agency meets benchmarks for base contract terms, restricted and unrestricted bonuses and renewal of contracts under the right-of-first selection option.

I object to specifying in law the amount the department must build into contracts for bonuses, because such a requirement would prohibit the department from adjusting performance bonuses, which may become appropriate as the program changes.

While I support the use of performance standards in the decision-making process, I object to including specific performance standards in law. The department already includes several performance criteria in the contracts with W-2 agencies. Further, I believe the department should have the flexibility to adjust benchmarks and change standards as the W-2 program evolves.

I am vetoing sections 9158 (9e) (b) and 9158 (9e) (d) in their entirety. This will allow the department to set standards, measure the performance of W-2 agencies and award bonuses to W-2 agencies as the department deems appropriate. More generally, it will provide the department with the flexibility it requires to administer the W-2 program effectively.

49. Oversight of W-2 Agencies in Milwaukee County

Section 1660e

This section requires the department to provide certain oversight and coordination services for Wisconsin Works (W-2) agencies in Milwaukee County. Specifically, the Department of Workforce Development would be required to monitor compliance with W-2 contracts, provide technical assistance to W-2 agencies and assist in coordination among those agencies for services offered to W-2 participants in Milwaukee County.

Currently, the Milwaukee Private Industry Council (PIC) receives \$1,000,000 annually to provide these functions for Milwaukee W-2 agencies. In my proposed budget, I reduced funding for the Milwaukee PIC by \$500,000 each year, with the idea that while this function is valuable, it could be performed at a lower cost. The Legislature removed all funding for the Milwaukee PIC and specified in the budget bill that the department conduct these oversight and coordination activities.

While I believe that these oversight and coordination activities are important, I object to specifying in statute that the department itself must be responsible for performing this function.

I am vetoing this section, but I also am directing the department to either conduct the oversight and coordination activities itself, or contract with a provider to perform this valuable function for Milwaukee W-2 agencies.

50. Community Youth Grants

Sections 1700b and 9158 (8x)

Section 1700b allocates an additional \$500,000 each fiscal year in Temporary Assistance for Needy Families (TANF) funding above what my budget provided for community youth grants. Section 9158 (8x) specifically earmarks the \$500,000 in each fiscal year for grants to the Wisconsin Chapters of the Boys and Girls Clubs of America.

Community youth grants are administered by the Department of Workforce Development and are generally awarded on a competitive basis. The grants are intended to fund programs that improve the social, academic and employment skills of youth who are eligible to receive TANF benefits. For this reason, I do not object to providing some funding for grants to the Boys and Girls Clubs of America. However, I do not agree with earmarking such a large portion of what is essentially a competitive grant program for one organization. Further, the TANF fund is constrained by several spending pressures at this time and cannot support excessive spending on additional programs.

I am partially vetoing the amount earmarked for the Wisconsin Chapter of Boys and Girls Clubs of America in each fiscal year of the 2001-03 biennium, so as to reduce the amount from \$500,000 to \$50,000 in each fiscal year. I am also partially vetoing the amount allocated for community youth grants in fiscal year 2002-03 so as to reduce the amount from \$500,000 to \$50,000. Further, I am requesting the Department of Administration secretary to place \$450,000 into unallotted reserve in appropriation s. 20.445 (3) (md) in 2002-03. This veto will have the effect of providing \$50,000 in each fiscal year specifically for grants to the Wisconsin Chapter of Boys and Girls Clubs of America, and of adding \$450,000 in fiscal year 2002-03 to the TANF balance.

51. After-School Care Grant Program

Sections 395 [as it relates to s. 20.255 (2) (kn)], 560d, 743dc, 1714d, 2779m [as it relates to s. 20.255 (2) (kn)] and 9140 (6w)

These sections allocate \$150,000 of Temporary Assistance to Needy Families (TANF) block grant funding for transfer from the Department of Workforce Development to a newly created appropriation in the Department of Public Instruction, for an after-school care grant program beginning in fiscal year 2002-03. Under this new grant program, school boards would be able to apply to the State Superintendent of Public Instruction to fund an after-school care program for TANF-eligible children who would otherwise be unsupervised by an adult in the afternoon after school.

I believe that children who would normally be unsupervised after school hours would benefit from a program like this; thus, I do not object to the idea of the program itself. However, the TANF fund is currently constrained by several spending pressures, ranging from cash assistance, to education and job skills training, and other work supports, especially child care benefits. While providing after-school care for all children is a worthwhile goal, the TANF fund cannot support spending on additional programs at this time.

I am vetoing this section to delete this new grant program, in order to conserve resources for the many important programs that are currently supported with TANF funds. I am also requesting the Department of Administration secretary to place these funds into unallotted reserve in s. 20.445 (3) (md).

52. Study of Unclaimed Impounded Vehicles

Section 9158 (3f)

This section requires the Department of Workforce Development, in consultation with the Department of Transportation and local governmental entities, to conduct a study of the feasibility of a program that would provide or sell unclaimed impounded vehicles to low-income individuals at below-market prices. The departments would be required to submit the findings of the study to the Joint Committee on Finance and other appropriate standing committees by June 30, 2002. The Legislature provided no funding to the Department of Workforce Development to conduct the study.

I object to this provision, because, while the study may produce valuable information, it is not one of the department's priorities for use of its base resources.

I am vetoing this section to remove the requirement that the department conduct this study.

53. Prevailing Wage Law

Sections 2026nz, 2026p, 2026r, 2558i, 2558j, 2558m, 2559d and 9458 (3z)

These sections affect the prevailing wage law, which requires workers employed on state or local public works projects to be paid the prevailing wage, as determined by the Department of Workforce Development, for the worker's trade or occupation in the area where the project is located. Specifically, these provisions would: (a) include wage data from public works projects where the wage paid is higher than the current prevailing wage in the annual wage rate survey; (b) require contractors and subcontractors to allow any individual to have access to their payroll records for projects subject to prevailing wage law to the same extent as if those records were public documents subject to the open records law; (c) prohibit the department from establishing swimming pool installer as a separate job classification; and (d) require the department to modify the metal building assembler job classification to include work on prefabricated, packaged metal buildings among the duties of that job classification.

I am vetoing sections 2026p and 2558j because including public works projects in the annual wage rate survey would violate the principles on which prevailing wage laws are based. Prevailing wage laws are intended to ensure that workers on public building projects are paid wages comparable to wages paid by the private sector for similar work. Including public construction projects when computing the prevailing wage rate would artificially inflate the prevailing wage rate for the county.

Sections 2026r, 2558m and 2559d require contractors and subcontractors to allow access to their payroll records for projects subject to prevailing wage laws. Under current law, if an individual has questions regarding a contractor's records for a public building project, that individual may request the department to examine the payroll records. Following the investigation, the payroll records become public documents and may be examined by any individual. I am vetoing these provisions because allowing any individual to obtain payroll records directly from contractors would create an unnecessary burden on private employers. If individuals wish to obtain these documents, they need only to file a request with the department.

Current law gives the department the power to establish prevailing wage rate job classifications and the power to establish the prevailing wage for those job classifications. Sections 2026nz, 2558j and 9458(3z) would require the department to modify the metal building erector job classification and prohibit the department from establishing a swimming pool installer job classification. I am vetoing these provisions because the statutes should not be used to modify the job classifications of selected occupations. If an individual or organization would like to create, delete or modify a job classification, then that individual or organization can file a request with the department. The department will then seek comment from individuals and organizations that would be affected by the change. It is inappropriate to include these changes through a process that does not allow the people and businesses who will be affected a chance to comment on the proposed change. I am sensitive to concerns about how prevailing wage data are calculated, and I encourage the department to review and evaluate its methodology for computing the prevailing wage rate.

54. Grant to the Milwaukee Metropolitan Fair Housing Council – Discriminatory Lending Practices

Sections 395 [as it relates to s. 20.445 (1) (a)] and 9158 (10c)

Section 395 [as it relates to s. 20.445 (1) (a)] provides \$150,000 GPR for the Department of Workforce Development to award a grant to the Milwaukee Metropolitan Fair Housing Council for the investigation of predatory residential real estate lending practices in Milwaukee County. As a condition of receiving these funds, the Milwaukee Metropolitan Fair Housing Council would be required to submit a report evaluating the results of the investigation to the department by January 1, 2004.

By lining out the department's s. 20.445 (1) (a) appropriation and writing in a smaller amount that deletes \$150,000 GPR in fiscal year 2001-02, I am vetoing the part of the bill which funds this provision. Furthermore, I am requesting the Department of Administration secretary not to allot these funds.

I object to this provision because it is more appropriate to select an organization to conduct the study through an open and objective process rather than through targeted legislation. This is also an issue that may be better served by a broader review that involves significant input from policy experts, lenders, homebuyers and the general public. In addition, it has not been demonstrated that the council lacks the resources to internally fund a study. My veto is not intended to reflect on the quality of work and level of commitment to fair housing of the Milwaukee Metropolitan Fair Housing Council.