



SCOTT McCALLUM

Governor
State of Wisconsin

June 22, 2001

TO THE HONORABLE MEMBERS OF THE SENATE:

I have approved Senate Bill 9 as 2001 Wisconsin Act 10 and have deposited it in the Office of the Secretary of State. I have exercised the partial veto in sections 121m and 122g.

Senate Bill 9 is Wisconsin's enactment of the National Conference of Commissioners on Uniform State Laws' revision of Article 9 in the Uniform Commercial Code. The Uniform Commercial Code generally has standardized key business processes and basic rules for credit transactions throughout the United States. The Wisconsin version of Article 9 is Chapter 409 of the Wisconsin Statutes. Senate Bill 9 repeals and recreates Chapter 409 to streamline and modernize the statutory framework for establishing, perfecting and prioritizing liens on property.

Section 121m provides for an increase of \$442,600 PR to the fiscal year 2000-01 s. 20.144 (1) (g) appropriation of the Department of Financial Institutions. This section also provides 3.0 FTE project positions to the department for fiscal year 2001-02. These resources are needed for the department to successfully implement SB 9. However, successful implementation of SB 9 is jeopardized by how the bill provides these resources. There is a mismatch between the year of funding and the year the positions are authorized. Further, the timing of passage and enactment virtually ensures the \$442,600 provided for implementation would lapse within days of enactment. I object to this timing mismatch and I am partially vetoing this section so the \$442,600 can be provided in fiscal year 2001-02, when the work will actually be done.

Section 122g sets a general effective date of July 1, 2001, (or the day after publication, whichever is later) for the bill. I also object to the separate provision in this section for an earlier effective date for the appropriation provision in section 121m. This provision in section 122g would make the appropriation in section 121m effective on the day after publication. I am partially vetoing this section to provide for a uniform effective date for the entire bill.

My partial veto of sections 121m and 122g will move the funding to a year these resources can actually be used, from fiscal year 2000-01 to fiscal year 2001-02. This technical veto will ensure that the department has the appropriated funding in the fiscal year that implementation work will begin and place the 3.0 FTE project positions and the funding to implement SB 9 in the same fiscal year.

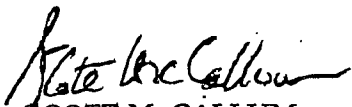
The Honorable Members of the Senate

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I support Wisconsin's continued participation in a uniform commercial code. My action on this bill allows Wisconsin to adopt a significant revision to the code and to implement it successfully.

Sincerely,



SCOTT McCALLUM

Governor