



Summary of Partial Vetoes of 2019 Wisconsin Act 9

2019 Assembly Bill 56

2019-21 Wisconsin
State Budget

Legislative Fiscal Bureau
July 11, 2019

2019-21 WISCONSIN STATE BUDGET

2019 Assembly Bill 56

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Legislative Fiscal Bureau

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Madison, Wisconsin**

INTRODUCTION

Under Article V, Section 10 of the Wisconsin Constitution, "Appropriation bills may be approved in whole or in part by the governor, and the part approved shall become law ... The rejected part of an appropriation bill, together with the governor's objections in writing, shall be returned to the house in which the bill originated."

The Governor signed 2019 Assembly Bill 56 (the state's 2019-21 budget) into law on July 3, 2019. The Governor exercised his partial veto authority over 78 provisions in the budget as passed by the Legislature.

This document summarizes each of the Governor's partial vetoes. It is organized in the order listed in the Governor's July 3, 2019, veto message. For each partial veto, the document summarizes the provision as passed by the Legislature, *explains the Governor's veto in italics*, and identifies the fiscal effect, if any, of the veto.

TABLE 1

2019-21 General Fund Condition Statement

Enrolled Assembly Bill 56

	<u>2019-20</u>	<u>2020-21</u>
Revenues		
Opening Balance, July 1	\$947,672,600	\$812,705,100
Taxes*	17,320,438,500	17,637,988,000
Departmental Revenues		
Tribal Gaming Revenues	23,837,700	24,879,000
Other	<u>545,542,100</u>	<u>535,886,200</u>
Total Available	\$18,837,490,900	\$19,011,458,300
 Appropriations, Transfers, and Reserves		
Gross Appropriations	\$18,386,765,000	\$19,216,506,600
Transfer to Transportation Fund	43,301,100	44,095,000
Compensation Reserves	13,351,800	94,545,400
Less Lapses	<u>-418,632,100</u>	<u>-451,290,100</u>
Net Appropriations	\$18,024,785,800	\$18,903,856,900
 Balances		
Gross Balance	\$812,705,100	\$107,601,400
Less Required Statutory Balance	<u>-80,000,000</u>	<u>-85,000,000</u>
Net Balance, June 30	\$732,705,100	\$22,601,400

*Includes the fiscal effects of 2019 Act 7 (AB 10) and AB 251, as passed by the Legislature.

TABLE 2

2019-21 General Fund Condition Statement

2019 Wisconsin Act 9

	<u>2019-20</u>	<u>2020-21</u>
Revenues		
Opening Balance, July 1	\$947,672,600	\$792,268,700
Taxes*	17,303,638,500	17,654,788,000
Departmental Revenues		
Tribal Gaming Revenues	23,837,700	24,879,000
Other	<u>540,498,000</u>	<u>530,851,800</u>
Total Available	\$18,815,646,800	\$19,002,787,500
 Appropriations, Transfers, and Reserves		
Gross Appropriations	\$18,386,956,800	\$19,201,818,000
Transfers to Transportation Fund	43,301,100	44,095,000
Compensation Reserves	13,351,800	94,545,400
Less Lapses	<u>-420,231,600</u>	<u>-451,868,700</u>
Net Appropriations	\$18,023,378,100	\$18,888,589,700
 Balances		
Gross Balance	\$792,268,700	\$114,197,800
Less Required Statutory Balance	<u>-80,000,000</u>	<u>-85,000,000</u>
Net Balance, June 30	\$712,268,700	\$29,197,800

*Includes the fiscal effects of 2019 Acts 7 (AB 10) and 10 (AB 251).

TABLE OF CONTENTS

JUSTICE, ENVIRONMENT AND AGRICULTURE

Building Program

A-1	Establishment of a Correctional Facility.....	1
A-2	Type 1 Facility.....	1
A-3	Construction Projects.....	1
A-4	Center Bonding.....	2
A-5	Corrections Bonding.....	2

District Attorneys

A-6	Assistant District Attorney Position Distribution.....	2
A-7	One Step Pay Progression.....	4

Department of Justice

A-8	Diversion Pilot Program.....	4
A-9	Beat Patrol Program.....	4
A-10	Treatment Alternatives and Diversion.....	4

Department of Natural Resources

A-11	Chronic Wasting Disease Research.....	5
A-12	Repair of State Trails.....	5
A-13	Well Compensation Grant.....	5

Department of Agriculture, Trade and Consumer Protection

A-14	Producer Led Watershed Grants.....	5
------	------------------------------------	---

EDUCATION AND WORKFORCE DEVELOPMENT

Department of Public Instruction

B-15	Per Pupil Aid.....	6
B-16	Supplemental Per Pupil Aid.....	7

Building Program

B-17	Medical College of Wisconsin Cancer Research Facility.....	7
B-18	University of Wisconsin - Green Bay Cofrin Library Renovation.....	7

Higher Educational Aids Board

B-19	Health Professional Scholarship Program.....	7
------	--	---

University of Wisconsin System

B-20 University of Wisconsin - Stevens Point Paper Science Program 8

Department of Safety and Professional Services

B-21 Safety and Building Operations Transfer 8

Department of Workforce Development

B-22 Grants for Training in County Jails from Wisconsin Fast Forward..... 9
B-23 Northcentral Technical College Earmark 9
B-24 Grants for Personal Care Worker Training from Wisconsin Fast Forward..... 9
B-25 Grants for Shipbuilders from Wisconsin Fast Forward..... 10
B-26 Youth Summer Jobs Programs..... 10

Building Program/Historical Society

B-27 Approval of the Wisconsin History Museum and Reporting Requirement..... 10

Department of Public Instruction

B-28 Grants to Lakeland STAR Schools 10
B-29 Personal Electronic Computing Devices Grant Program 11
B-30 Grants for Robot-Assisted Educational Programs for Pupils with Autism 11

GENERAL GOVERNMENT, CHILDREN AND FAMILIES

Department of Administration

C-31 Report on Capitol Security 12
C-32 Capital Planning and Building Construction Balance Lapse 12

Program Supplements

C-33 Discretionary Merit Compensation Awards for the Department of Corrections..... 12

Miscellaneous Appropriations

C-34 Volkswagen Settlement Funds..... 12

Board of Commissioners of Public Lands

C-35 Appropriation for Board of Commissioners of Public Lands Operations 13

Department of Children and Families

C-36 Milwaukee County Shared Revenue Reduction for Child Welfare Services 13
C-37 Child Care YoungStar Bonuses 14

Elections Commission

C-38 Elections Commission Materials and Services Lapse 14

Employment Relations Commission

C-39 Wisconsin Employment Relations Commission Program Revenue Lapse 14

HEALTH SERVICES AND INSURANCE

Department of Health Services

D-40	FoodShare Employment and Training for Able-Bodied Adults with Dependents.....	15
D-41	FoodShare Employment and Training Drug Screening Funding.....	15
D-42	Disproportionate Share Hospital Payments	16
D-43	Mendota Juvenile Treatment Center	16
D-44	Medicaid Reestimate	17
D-45	Physician and Behavioral Health Funding.....	17
D-46	Crisis Intervention Services.....	17
D-47	Qualified Treatment Trainee Grants	18
D-48	Telehealth Expansion	18
D-49	Physical Health Service Provider Reimbursement.....	19
D-50	Hub-and-Spoke Mental Health and Substance Abuse Treatment Model.....	19
D-51	Racine County Nursing Home Labor Region.....	19
D-52	Suicide Prevention Grant.....	20
D-53	FoodShare Employment and Training Administrative Funds	20
D-54	FoodShare Employment and Training Cost-to-Continue.....	20
D-55	Authority to Reallocate Positions.....	21
D-56	Birth to 3 Program	21
D-57	Nitrate Testing for Private Wells	21

Department of Military Affairs

D-58	Wisconsin Statewide Public Safety and Interoperable Communications System.....	22
------	--	----

TRANSPORTATION, TAX, LOCAL GOVERNMENT AND ECONOMIC DEVELOPMENT

Department of Revenue

E-59	Expansion of Auditing Activity	22
------	--------------------------------------	----

General Fund Taxes

E-60	Defining Vapor Products.....	22
------	------------------------------	----

Department of Transportation

E-61	Tolling and Mileage-based Fee Study	23
E-62	Registration Fees by Weight Classification.....	23
E-63	Discretionary Supplement	23
E-64	Fuel Suppliers Administrative Allowance	24

Local Regulation of Quarries

E-65	Quarry Local Zoning Preemption	24
------	--------------------------------------	----

Department of Transportation

E-66 Supplemental Transportation Aids..... 24
E-67 Wheel Tax Fee Increase 25
E-68 Lieutenant Governor Security 25
E-69 Required Interchange for I-41 in Brown and Outagamie Counties 25
E-70 Initial Applicability of Registration Fee Increases 25
E-71 Noise Barrier in Milwaukee County 26
E-72 Passenger Rail..... 26
E-73 Direct Sale of Motor Vehicles from Manufacturer 26
E-74 City of Kaukauna Bridge..... 26
E-75 Alternative Project Delivery..... 26

Shared Revenue

E-76 Payments to Offset Reduction in Video Service Provider Fees..... 27

Wisconsin Economic Development Corporation

E-77 Economic Development Grant for Milwaukee 7 Economic Development Partnership ... 28
E-78 Fabrication Laboratories Grant Program 28

JUSTICE, ENVIRONMENT AND AGRICULTURE

ITEM A-1. ESTABLISHMENT OF A CORRECTIONAL FACILITY

As passed by the Legislature, Assembly Bill 56 would provide \$5,000,000 of general fund supported borrowing for the Department of Corrections. The bill would have specified that this borrowing was for land acquisition, utility extensions, and a request for proposal for a new maximum security correctional facility to replace the Green Bay Correctional Institution. The bill would have required that land acquisition occur no later than December 1, 2020, and that utility extensions occur no later than October 1, 2021. The bill would have required the Building Commission to authorize in its recommendations for the 2021-23 building program a specific amount of additional general fund supported borrowing sufficient to complete construction of this correctional facility. *The Governor's partial veto deletes all of the specific language in the bill, so that as vetoed, a \$5,000,000 project is enumerated for correctional facility construction and the borrowing must be expended for an unspecified correctional facility.*

[Act 9 Vetoed Sections: 9104(1)(c)1.c. and 9104(7)]

ITEM A-2. TYPE 1 FACILITY

As passed by the Legislature, Assembly Bill 56 would have zeroed-out a project enumeration included in the 2017-19 building program by 2017 Act 185 for \$25,000,000 of general fund supported borrowing for Type 1 juvenile correction facilities. The bill also eliminates the corresponding \$25 million of general fund supported borrowing. *The Governor's partial veto deletes the provision of the bill that zeroed-out the project enumeration, so that it is retained as part of the 2017-19 building program with a \$25,000,000 project enumeration. The related \$25 million of bonding is still eliminated in the bill as vetoed.*

[Act 9 Vetoed Section: 9104(6)(d)]

ITEM A-3. CONSTRUCTION PROJECTS

As passed by the Legislature, Assembly Bill 56 would have created a program for grants for local projects. The bill would provide \$25,000,000 of general fund supported borrowing for the Building Commission to establish and operate a grant program to assist non-state organization to carry out construction projects having a public purpose. The bill would have specified that each grant could not exceed \$5,000,000 with a matching requirement equal to at least 50% of the project cost. The municipality or county in which the project would have been located would have applied for a grant on behalf of the non-state organization. The bill also earmarks \$3,000,000 of this funding for the Encourage Community Foundation, Inc. to assist in the remodeling of the former Daily Tribune building in the City of Wisconsin Rapids into an economic and community hub. *The Governor's partial veto deletes the specific language in the bill, so that this general fund*

supported borrowing is authorized to assist construction projects having a public purpose. The earmark provision under the bill remains after veto, so that \$3,000,000 of this borrowing is allocated for the Encourage Community Foundation, Inc., but the remaining \$22,000,000 of general fund supported borrowing is available to the Building Commission to assist construction projects having a public purpose. In his veto message, the Governor indicates that he is "directing that \$22,000,000 of this funding support the construction of a new Type 1 facility for the Department of Corrections to replace Lincoln Hills School and plan to bring such a motion before the Building Commission to move this project forward."

[Act 9 Vetoed Sections: 26m, 125 (as it relates to Non-state local project grant program), 126 (as it relates to s. 20.867(3)(cw), 307n, 309t, and 9104(1)(b)1.a.]

ITEM A-4. CENTER BONDING

As passed by the Legislature, Assembly Bill 56 would have provided \$15,000,000 of general fund supported borrowing for a grant to be awarded to a nonstate organization for the establishment of a northern Wisconsin regional crisis center. The Building Commission would have been required to determine that the project is in the public interest and serves one or more statewide public purposes. The project would have required approval by the Joint Committee on Finance (JFC) before issuance of the bonds. *The Governor's partial veto deletes the specific language in the bill, including JFC approval, so that the bill as vetoed reads: "Building Commission may award under this subsection for a center." The bill as vetoed authorizes \$15,000,000 of general fund supported borrowing for this purpose. In his veto message, the Governor indicates that he is "directing that this funding be used to support the expansion of the Mendota Juvenile Treatment Center by the Department of Health Services and plan to bring such a motion before the Building Commission to move this project forward."*

[Act 9 Vetoed Sections: 26o, 125 (as it relates to Northern Wisconsin Regional Crisis Center), 126 (as it relates to s. 20.867(3)(cx), 307o, 309u, and 9104(1)(b)1.b., and 9104(10)]

ITEM A-5. CORRECTIONS BONDING

Chg. to Enr. AB 56	
BR	\$1,267,000

As passed by the Legislature, Assembly Bill 56 would have deleted \$1,267,000 of previously authorized general fund supported borrowing for correctional facilities. *The Governor's partial veto deletes this provision and restores this borrowing authority to the Department of Corrections.*

[Act 9 Vetoed Sections: 125 (as it relates to Correctional facilities), 306g, and 306h]

ITEM A-6. ASSISTANT DISTRICT ATTORNEY POSITION DISTRIBUTION

As passed by the Legislature, Assembly Bill 56 would have specified the distribution of 34.85 additional assistant district attorney positions in specific counties as identified in the column below titled Assembly/Legislature:

County	Gov/JFC	Assembly/ Leg.	Total Additional	County	Gov/JFC	Assembly/ Leg.	Total Additional
Adams	0.80	0.00	0.80	Marinette	0.40	0.00	0.40
Ashland	0.00	0.60	0.60	Marquette	0.00	0.60	0.60
Barron	1.00	0.00	1.00	Monroe	1.00	1.00	2.00
Bayfield	0.60	0.00	0.60	Outagamie	1.00	1.00	2.00
Brown	1.00	2.00	3.00	Ozaukee	1.00	0.70	1.70
Buffalo ¹	0.20	0.00	0.20	Pierce	0.50	0.00	0.50
Burnett	0.75	0.00	0.75	Polk	1.00	0.00	1.00
Calumet	0.00	1.00	1.00	Portage	1.00	1.00	2.00
Chippewa	0.00	1.00	1.00	Price	0.00	0.50	0.50
Columbia	0.25	1.00	1.25	Racine	1.00	1.00	2.00
Dane	0.00	0.15	0.15	Rusk	0.50	0.00	0.50
Dodge	0.00	1.00	1.00	Sawyer	1.00	0.00	1.00
Douglas	0.50	1.00	1.50	Shawano and			
Dunn	1.00	1.00	2.00	Menominee	0.00	1.00	1.00
Eau Claire	1.00	1.00	2.00	Sheboygan	0.50	1.50	2.00
Florence ²	0.00	0.10	0.10	St. Croix	0.00	1.00	1.00
Fond du Lac ³	1.00	2.00	3.00	Taylor	0.00	0.50	0.50
Forest	1.00	0.00	1.00	Walworth	0.00	1.00	1.00
Green	0.00	0.50	0.50	Washburn	0.75	0.00	0.75
Green Lake	0.50	0.00	0.50	Washington	1.00	0.00	1.00
Iowa	0.25	0.00	0.25	Waukesha	0.00	2.50	2.50
Jackson	1.00	0.00	1.00	Waupaca	0.50	0.00	0.50
Jefferson	0.00	0.70	0.70	Waushara	0.00	0.60	0.60
Juneau	0.50	0.00	0.50	Winnebago	0.00	2.00	2.00
Kenosha	0.00	1.00	1.00	Wood	<u>1.00</u>	<u>1.00</u>	<u>2.00</u>
La Crosse	1.00	1.00	2.00	Total	30.00	34.95	64.95
Langlade	1.00	0.00	1.00				
Lincoln	1.00	0.00	1.00				
Manitowoc	1.00	1.00	2.00				
Marathon ³	2.50	2.00	4.50				

¹ Note that Buffalo has a 0.5 elected DA and a 0.5 ADA. The requested 0.2 positions would be used to make both 0.6 positions.

² Note that Florence has a 0.5 elected DA. The 0.1 position would be used to make it a 0.6 position.

³ Includes PR positions converted to GPR positions.

The Governor's partial veto deletes the provision providing 34.85 GPR assistant district attorney positions to specific counties. In the veto message, the Governor directs the Department of Administration to work with the State Prosecutors Office to allocate the positions to counties "in a manner that considers need holistically, including staffing needs based on creation or expansion of treatment alternatives and diversion programs, meeting with victims prior to charging, addressing backlogs, and utilizing available workload analyses."

[Act 59 Vetoes Section: 9210(1f)]

ITEM A-7. ONE STEP PAY PROGRESSION

As passed by the Legislature, Assembly Bill 56 provided that a "one-step pay progression increase" would be provided "to eligible district attorneys on July 1, 2019" and "on July 1, 2020."

The Governor's partial veto deletes the statutory language specifying that pay progression be provided "to eligible district attorneys." Since pay progression is not available to the elected district attorney positions, the Governor's partial veto clarifies that, as under current law and as funded under AB 56, pay progression would be provided to Assistant District Attorney and Deputy District Attorney positions.

[Act 59 Vetoed Section: 9210(1e)]

ITEM A-8. DIVERSION PILOT PROGRAM

As passed by the Legislature, Assembly Bill 56 would have required the Department of Justice to submit a report by September 1, 2020, to the Joint Committee on Finance describing the services, sites, capabilities, and progress of the diversion pilot program for nonviolent offenders. ***The Governor's partial veto deletes this provision.***

[Act 59 Vetoed Section: 9127(2)]

ITEM A-9. BEAT PATROL PROGRAM

As passed by the Legislature, Assembly Bill 56 would create a new appropriation to fund law enforcement officer supplement grants with GPR for the 2019-21 biennium only. ***The Governor's partial veto deletes the provision repealing the GPR appropriation on July 1, 2021.***

[Act 59 Vetoed Sections: 232m, 1799m, and 9427(3p)]

ITEM A-10. TREATMENT ALTERNATIVES AND DIVERSION

As passed by the Legislature, Assembly Bill 56 would create a new GPR appropriation for "counties that are not a recipient of a grant under the alternatives to incarceration grant program" (the treatment and diversion (TAD) program). ***The Governor's partial veto deletes the requirement that only counties that currently do not receive state TAD funding are eligible for funding from this appropriation. In the veto message, the Governor indicates that "[a]lthough I am allowing the department flexibility to utilize funds in this appropriation for counties that already participate in the alternatives to incarceration program when needed, I request that the Department of Justice prioritize the funds in this appropriation for counties that currently do not participate in the alternatives to incarceration program prior to expanding existing programs from this appropriation."***

[Act 59 Vetoed Section: 233]

ITEM A-11. CHRONIC WASTING DISEASE RESEARCH

As passed by the Legislature, Assembly Bill 56 would have required the Department of Natural Resources (DNR) to provide \$100,000 fish and wildlife SEG for research related to genetic resistance to chronic wasting disease (CWD) in farmed deer. The funding would come from the CWD management and testing appropriation funded by bonus antlerless harvest authorizations. The research project would be required to be conducted on a double-fenced deer farm in the southern portion of the state where CWD was detected in spring 2018. *The Governor's partial veto removes reference to the type of research to be conducted and the location where the research should be conducted. Under the veto, DNR has discretion on how to expend the \$100,000 for CWD research.*

[Act 9 Vetoed Section: 9132(3y)]

ITEM A-12. REPAIR OF STATE TRAILS

As passed by the Legislature, Assembly Bill 56 would have required DNR to make repairs to the Elroy-Sparta State Trail between the City of Elroy and the Village of Norwalk and the 400 State Trail between the Villages of La Valle and Union Center. The bill would amend a continuing appropriation from the parks account of the conservation fund for parks development and maintenance to also allow state parks and trails revenues to be used for trail development and maintenance. The bill would provide \$100,000 parks SEG for these purposes. *The Governor's veto removes reference to the specific projects that DNR must conduct. Under Act 9, DNR would have discretion in allocating the \$100,000 to trails or parks projects.*

[Act 9 Vetoed Section: 9132(3x)]

ITEM A-13. WELL COMPENSATION GRANT

As passed by the Legislature, Assembly Bill 56 would have budgeted under the Joint Committee on Finance segregated supplemental appropriation \$400,000 from the environmental management account of the environmental fund in each of 2019-20 and 2020-21 for DNR well compensation grants. The funds could have been released by the Committee pursuant to DNR submitting a request under s. 13.10 of the statutes. *The Governor's partial veto deletes the \$400,000 provided in each year under the Committee's supplemental appropriation. Under current law, DNR could submit a request for funds for the well compensation grant program under s. 13.10 of the statutes.*

Chg. to Enr. AB 56	
SEG	- \$800,000

[Act 9 Vetoed Section: 126 (as it relates to s. 20.865(4)(u))]

ITEM A-14. PRODUCER LED WATERSHED GRANTS

As passed by the Legislature, Assembly Bill 56 would have specified that the Department of Agriculture, Trade and Consumer Protection could not allocate more than \$500,000 annually, an increase of \$250,000 annually, from the soil and water resource management (SWRM) aids

appropriation for producer-led watershed protection grants. 2017 Wisconsin Act 196 had previously increased this statutory cap to \$750,000 each year on a one-time basis during the 2017-19 biennium. ***The Governor's partial veto increases the statutory cap for allocation of SWRM aids for producer-led watershed protection grants to \$750,000 each year. The enrolled bill struck through the language authorizing the one-time increase during the 2017-19 biennium to repeal the language from the statutes upon enactment of the bill. The Governor's veto retains the larger amount by vetoing both the strikethrough of the \$750,000 and the \$500,000 allocation created by the Legislature.***

[Act 9 Vetoed Section: 130m]

EDUCATION AND WORKFORCE DEVELOPMENT

ITEM B-15. PER PUPIL AID

As passed by the Legislature, Assembly Bill 56 would have set the per pupil aid payment at \$679 per pupil in 2019-20 and \$704 per pupil in 2020-21 and in each year thereafter. ***The Governor's partial veto uses the bill language for the \$679 per pupil payment and current law language under which the payment would be \$630 per pupil to specify that a district's enrollment would be multiplied "by \$679 and by \$63 in each school year," or \$742 per pupil, to determine its per pupil aid payment. As a result, estimated expenditures from the sum sufficient appropriation for per pupil aid would increase by \$52,567,200 in 2019-20 and \$31,597,000 in 2020-21 compared to the enrolled bill.***

Chg. to Enr. AB 56	
GPR	\$84,164,200

Under the current law indexing mechanism that adjusts the per pupil payment amounts for independent charter schools and private schools participating in the private school choice and special needs scholarship programs, the increased per pupil amounts for per pupil aid will result in higher estimated payments. As a result, the total per pupil increase under all of the school finance provisions of 2019 Act 9 would be \$292 in 2019-20 and a further \$254 in 2020-21.

Chg. to Enr. AB 56	
GPR	\$5,400,600
GPR-Lapse	<u>- 2,778,100</u>
Net GPR	\$2,622,500

To reflect these higher payments compared to the bill as passed by the Legislature, funding for these programs would increase, in total, by \$3,144,200 GPR in 2019-20 and by \$2,256,400 GPR in 2020-21, with changes in related lapses of -\$1,599,500 GPR-Lapse in 2019-20 and -\$1,178,600 GPR-Lapse in 2020-21. In 2018-19, the per pupil payment amounts for these programs were: (a) independent charters--\$8,619; (b) private school choice programs--K-8 pupils (\$7,754), 9-12 pupils (\$8,400); and special needs scholarship program--\$12,431.

[Act 9 Vetoed Section: 1459]

ITEM B-16. SUPPLEMENTAL PER PUPIL AID

As passed by the Legislature, Assembly Bill 56 would have provided \$2,800,000 in 2019-20 and \$2,500,000 in 2020-21 in a newly-created annual sum certain appropriation for supplemental per pupil aid. A district would have been eligible for this aid if the district's net per pupil payment from the general school aids appropriation was less than the difference between \$1,000 and the per pupil categorical aid payment amount for that year. The payment for an eligible district would have been equal to \$1,000 less the per pupil categorical aid payment amount for that year less the district's net per pupil payment from the general school aids appropriation, multiplied by the enrollment used to calculate the district's per pupil aid in that year. *The Governor's partial veto deletes much of the statutory language associated with the aid. Under the act as vetoed, a school district is eligible for this aid and DPI must pay each eligible school district an amount. The Governor's veto message requests that DPI distribute this funding to all school districts.*

[Act 9 Vetoed Section: 1464f]

ITEM B-17. MEDICAL COLLEGE OF WISCONSIN CANCER RESEARCH FACILITY

The Governor's recommendations for the 2019-21 state building program included \$15,000,000 of general fund supported borrowing for the Medical College of Wisconsin cancer research facility, with a required match of \$85,000,000. As passed by the Legislature, Assembly Bill 56 would provide \$10,000,000 of general fund supported borrowing for this project with the same required match of \$85,000,000. *The Governor's partial veto leaves the borrowing amount intact but strikes a "0" from the \$85,000,000 match, so that as vetoed there is \$10,000,000 of general fund supported borrowing with a required match of \$8,500,000 for this project.*

[Act 9 Vetoed Sections: 27f and 9104(1)(L)1.a., 2.a. and 3.]

ITEM B-18. UNIVERSITY OF WISCONSIN-GREEN BAY COFRIN LIBRARY RENOVATION

As passed by the Legislature, Assembly Bill 56 would have required the Building Commission to allocate \$500,000 from the building trust fund to develop preliminary plans and specifications for renovation of the Cofrin Library at UW-Green Bay. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Section: 9104(11)(a)1.]

ITEM B-19. HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM

As passed by the Legislature, Assembly Bill 56 would have provided \$800,000 GPR in 2020-21 in a new annual appropriation for scholarships under a rural dentistry scholarship program as well as \$350,000 GPR in 2020-21 in a new biennial appropriation under the Higher Educational Aids

Chg. to Enr. AB 56	
GPR	- \$350,000
GPR-Lapse	<u>600,000</u>
Net GPR	\$250,000

Board (HEAB) to cover a portion of the costs of the Marquette University School of Dentistry (MUSD) in administering and implementing the program. The bill would have required HEAB, in consultation with the Department of Health Services, to establish a program for awarding to no more than five first-year students attending MUSD an annual scholarship, including a stipend, equal to \$40,000 for each year of a student's enrollment but not exceeding four years. The bill specifies that for every year a student accepts the scholarship, the student must practice for 18 months in a qualifying dental health professional shortage area. The bill requires a student to repay a proportional amount of the scholarships awarded to the student for failure to meet the required number of months of eligible practice. The bill would have excluded dental practice in Waukesha, Dane, Milwaukee, Kenosha, and Brown Counties from being eligible under this program. Under the bill, because only \$200,000 of the scholarship funding would have been expended in 2020-21, \$600,000 of GPR-Lapses were estimated to accrue in that year. *The Governor's partial veto deletes all references to dentistry and dental as well as to MUSD and eliminates the appropriation with \$350,000 GPR in 2020-21 to cover a portion of the costs of MUSD in administering and implementing the program. The partial veto also eliminate the provisions that limited the program to: (a) no more than five first-year students; and (b) a maximum award of \$40,000 per student per year; and (c) practice in a dental health shortage area, excluding Waukesha, Dane, Milwaukee, Kenosha, and Brown Counties. As vetoed, the program applies to students who practice in a health shortage area in this state. Because the limitations on the number of students and amount of each award are deleted by veto, the estimated GPR-Lapse of -\$600,000 in 2020-21 under the bill as passed by the Legislature no longer applies.*

[Act 9 Vetoed Sections: 126 (as it relates to s. 20.235(1)(dg)&(dr)), 135g, 135r, and 392m (as it relates to s. 39.465(1)(a), (b), (d), (e), (2), (3)(a)&(b), (4)&(5)]

ITEM B-20. UNIVERSITY OF WISCONSIN-STEVENS POINT PAPER SCIENCE PROGRAM

As introduced by the Governor and passed by the Legislature, Assembly Bill 56 would have required the Board of Regents to ensure that at least 1.0 full-time equivalent position funded from segregated grants for forestry appropriation under the UW System is created in the paper science program at UW-Stevens Point. *The Governor's partial veto deletes the word "created" to clarify that the Regents do not need to add a position, but maintain the current position under the appropriation.*

[Act 9 Vetoed Section: 361]

ITEM B-21. SAFETY AND BUILDINGS OPERATIONS TRANSFER

Chg. to Enr. AB 56
GPR-REV - \$5,000,000

As passed by the Legislature, Assembly Bill 56 would have transferred \$5,000,000 to the general fund from the account balance of the Division of Industry Services program revenue general operations appropriation in the Department of Safety and Professional Services. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Section: 9238(2t)]

ITEM B-22. GRANTS FOR TRAINING IN COUNTY JAILS FROM WISCONSIN FAST FORWARD

As passed by the Legislature, Assembly Bill 56 would have required the Department of Workforce Development (DWD) to allocate from the Department's workforce training grants GPR appropriation ("Fast Forward") \$425,000 in 2019-20 and \$582,500 in 2020-21 for grants to the Department of Corrections (DOC) for mobile classrooms and institutional job centers. Of the amounts allocated, \$200,000 in 2019-20 and \$320,000 in 2020-21 would have been allocated for grants to DOC to fund the creation and operation of mobile classrooms. Additionally, \$225,000 in 2019-20 and \$262,500 in 2020-21 would have been allocated for grants to DOC to fund the creation and operation of institutional job centers at six eligible institutions in 2019-20 and at seven eligible institutions in 2020-21. Additionally, the bill would have specified DOC may not use a grant for more than one institutional job center at any eligible institution. *The Governor's partial veto deletes all references to specific funding amounts and specific numbers of institutions in these sections. The partial veto also deletes the provision that specifies DOC may not use a grant for more than one institutional job center at any eligible institution. In the veto message, the Governor directs "DWD and the Department of Corrections to work collaboratively to provide job training opportunities at correctional institutions." Act 9 retains the definition of eligible institution as a minimum-security correctional institution or medium-security prison.*

[Act 9 Vetoed Sections: 1325h and 1325p]

ITEM B-23. NORTHCENTRAL TECHNICAL COLLEGE EARMARK

As passed by the Legislature, Assembly Bill 56 would have required DWD to award \$75,000 annually in the 2019-21 biennium from the Department's Fast Forward appropriation to the district board for Northcentral Technical College (NTC) for workforce training in county jail facilities. Further, the Department would have been required to award the workforce training grants to NTC notwithstanding any otherwise applicable eligibility criteria, and DWD would not be allowed to require a funding match. *The Governor's partial veto deletes the provision that earmarks workforce training grants for Northcentral Technical College and instead would make the \$75,000 annual grants available generally for workforce training in county jail facilities. The veto would also delete the provision exempting NTC from any requirements to apply for funding. Act 9 retains the limitations on DWD requiring funding matches or applying other eligibility criteria for purposes of the grants.*

[Act 9 Vetoed Section: 9150(7i)]

ITEM B-24. GRANTS FOR PERSONAL CARE WORKER TRAINING FROM WISCONSIN FAST FORWARD

As passed by the Legislature, Assembly Bill 56 would have required DWD to allocate moneys in the 2019-21 fiscal biennium from the Department's Fast Forward appropriation for a grant program that promotes the attraction and retention of personal care workers who provide home-based care and community-based care, and that focuses on providing quality care. *The*

Governor's partial veto deletes this provision. Grants for programs that promote the attraction and retention of personal care workers would remain an eligible expense of moneys from DWD's Fast Forward appropriation.

[Act 9 Vetoed Section: 9150(5i)]

ITEM B-25. GRANTS FOR SHIPBUILDERS FROM WISCONSIN FAST FORWARD

As passed by the Legislature, Assembly Bill 56 would have required a shipbuilder that receives a shipbuilder employee training grant to expend all grant moneys before July 1, 2021, for purposes of training new and current employees. ***The Governor's partial veto deletes this provision.***

[Act 9 Vetoed Section: 1326]

ITEM B-26. YOUTH SUMMER JOBS PROGRAMS

As passed by the Legislature, Assembly Bill 56 would have expanded the eligibility for DWD's youth summer jobs program to include programs outside first-class cities (City of Milwaukee). ***The Governor's partial deletes this provision.***

[Act 9 Vetoed Sections: 230m and 1325b]

ITEM B-27. APPROVAL OF THE WISCONSIN HISTORY MUSEUM AND REPORTING REQUIREMENT

As passed by the Legislature, Assembly Bill 56 would provide \$70,000,000 of general fund supported borrowing with a \$30,000,000 matching requirement for the Wisconsin history museum. In addition, the bill would have required: (a) prior approval by the Joint Committee on Finance (JFC) before issuance of the borrowing; and (b) the State Historical Society and the Department of Veterans Affairs to jointly submit a report to JFC concerning improvements to their museum facilities in the City of Madison by June 30, 2021. ***The Governor's partial veto deletes the requirement for JFC approval prior to bond issuance and for a report on museum facilities in Madison. The Governor's veto message indicates that he is: "directing both the Wisconsin Historical Society and the Department of Veterans Affairs to jointly submit a report to the Governor and Secretary of Administration, by July 1, 2020, that outlines the long-term vision and plans for current and future museum facilities in the city of Madison."***

[Act 9 Vetoed Sections: 9104(8) and 9121(1t)]

ITEM B-28. GRANTS TO LAKELAND STAR SCHOOLS

As passed by the Legislature, Assembly Bill 56 would have provided \$250,000 in 2019-20 in a newly-created biennial appropriation

Chg. to Enr. AB 56	
GPR	- \$250,000

for grants to the Lakeland STAR School and the Lakeland STAR Academy. DPI would have been required to provide a grant of \$83,000 during the biennium to the Minocqua J1 School District for the Lakeland STAR School and a grant of \$167,000 during the biennium to the Lakeland UHS School District for the Lakeland STAR Academy. The districts would have been required to demonstrate matching funds from private donors prior to receiving the funds, and would have been required to provide a report to the Legislature and the State Superintendent describing the use of the funding. The appropriation would have been repealed on July 1, 2021. ***The Governor's partial veto deletes these provisions.***

[Act 9 Vetoes Sections: 126 (as it relates to s. 20.255(2)(fa)), 163s, 163t, 9134(5p)&(6p) and 9434(8p)]

ITEM B-29. PERSONAL ELECTRONIC COMPUTING DEVICES GRANT PROGRAM

Chg. to Enr. AB 56	
GPR	- \$18,375,000

As passed by the Legislature. Assembly Bill 56 would have maintained current law provisions related to the personal electronic computing device program, including base level funding of \$9,187,500 GPR annually. Under the program, school districts, independent charter schools, private schools, and tribal schools receive grants equal to \$125 per ninth grade pupil for purchasing personal electronic computing devices, software, curriculum, or related professional development. ***The Governor's partial veto reduces the amount of funding for the program by \$9,187,500 GPR in each year of the biennium. As a result, the grants will no longer be awarded beginning in 2019-20.***

[Act 9 Vetoes Section: 126 (as it relates to s. 20.255(2)(aw))]

ITEM B-30. GRANTS FOR ROBOT-ASSISTED EDUCATIONAL PROGRAMS FOR PUPILS WITH AUTISM

Chg. to Enr. AB 56	
GPR	- \$50,000

As passed by the Legislature, Assembly Bill 56 would have provided \$25,000 GPR annually in a new program for grants for robot-assisted educational programs for pupils with autism. The bill specified that grants could be awarded to cooperative educational service agencies for the purpose of implementing a program that uses interactive robots to teach social and behavioral skills to pupils with autism. ***The Governor's partial veto deletes these provisions and the related funding.***

[Act 9 Vetoes Sections: 126 (as it relates to s. 20.255(2)(bi)), 146e, and 1437p]

GENERAL GOVERNMENT, CHILDREN AND FAMILIES

ITEM C-31. REPORT ON CAPITOL SECURITY

As passed by the Legislature, Assembly Bill 56 would have directed the Department of Administration (DOA), in consultation with the City of Madison police, to study the security and safety of the State Capitol and Capitol grounds. In addition, the bill would have required DOA to submit a report to the Governor and the Legislature by January 1, 2020, with recommendations for insuring the safety and security of visitors to and employees who work in the building as well as for people attending and participating in events on and around the Capitol. *The Governor's partial veto deletes this provision. However, the Governor's veto summary directs the Department of Administration's Division of Capitol Police to review and update, if necessary, its existing plans for the security and safety of the State Capitol, including input from the City of Madison police.*

[Act 9 Vetoed Section: 9101(1f)]

ITEM C-32. CAPITAL PLANNING AND BUILDING CONSTRUCTION BALANCE LAPSE

Chg. to Enr. AB 56

GPR - REV - \$5,000,000
PR - Transfer - \$5,000,000

As passed by the Legislature, Assembly Bill 56 would have transferred \$5,000,000 PR from the capital planning and building construction services appropriation to the general fund in 2020-21. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Section: 9201(1j)]

ITEM C-33. DISCRETIONARY MERIT COMPENSATION AWARDS FOR THE DEPARTMENT OF CORRECTIONS

As passed by the Legislature, Assembly Bill 56 would have specified that the Department of Corrections may not request a supplement from the Program Supplements appropriation for the cost of discretionary merit compensation awards. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Sections: 315p, 1854d, and 1854f]

ITEM C-34. VOLKSWAGEN SETTLEMENT FUNDS

As passed by the Legislature, Assembly Bill 56 would require the Department of Administration (DOA) to allocate \$3,000,000 in Volkswagen settlement funding to award grants to school districts for the replacement of eligible school buses. Under AB 56, the balance of the settlement funding remaining in the appropriation after the \$3,000,000 school bus allocation could be awarded for the replacement of eligible vehicles in the state fleet (as approved in the 2017-19 budget) and for grants under the existing transit capital grant program for the replacement of eligible transit

vehicles. *The Governor's partial veto modifies the statutory language that created the school bus replacement program to: (a) delete the school bus replacement program and related provisions, (b) delete the requirement that DOA allocate \$3,000,000 in settlement funding to award grants to the school bus replacement program, and (c) create a requirement that DOA establish a program to award grants of Volkswagen settlement funds from the settlement funds appropriation for alternative fuels. In the veto message, the Governor directs DOA "to allocate up to \$10,000,000 of the settlement funds to this revised grant program for electric vehicle charging stations, and at least \$15,000,000 for the transit capital assistance grant program under s. 16.047(4m)."*

[Act 9 Vetoed Sections: 55c and 9101(2i)]

ITEM C-35. APPROPRIATION FOR BOARD OF COMMISSIONERS OF PUBLIC LANDS OPERATIONS

As passed by the Legislature, Assembly Bill 56 would have eliminated BCPL's ability to deduct program operations expenses from the income of funds managed by the Board. (These expenses are recorded as program revenue.) The bill would reduce the PR-funded operations appropriation to zero in both years of the 2019-21 biennium, replacing operations funding with GPR. *The Governor's partial veto retains BCPL's statutory authority to deduct its expenses from the gross receipts of the funds managed by the Board. However, legislative approval would be required to restore PR funding. Therefore, program operations will be funded by the GPR appropriation in the 2019-21 biennium.*

[Act 9 Vetoed Sections: 282j, 335g thru 335n, and 335p thru 335t]

ITEM C-36. MILWAUKEE COUNTY SHARED REVENUE REDUCTION FOR CHILD WELFARE SERVICES

Chg. to Enr. AB 56	
PR-Rev	- \$6,881,900

As passed by the Legislature, Assembly Bill 56 would have increased Milwaukee County's financial contribution for child welfare services provided by the Department of Children and Families (DCF) Division of Milwaukee Child Protective Services, from the current total statutory contribution of \$58,893,500 per fiscal year, to the greater of that amount or the GPR funding amount budgeted in the Chapter 20 appropriation schedule for child welfare services aids for Milwaukee County. Under Act 9, \$65,775,400 GPR in 2019-20 and \$66,550,000 GPR in 202-21 is budgeted to fund child welfare services aids.

The increase in Milwaukee County's contribution would have been implemented by increasing the County's contribution from the County's shared revenue payments. Due to the timing of when the shared revenue payments are paid to counties, it was estimated that this provision would have increased program revenues to DCF's interagency and intra-agency appropriation by \$6,881,900 in 2020-21. However, as this PR appropriation is a sum certain appropriation and was not increased to authorize DCF to expend the additional revenue contributed by Milwaukee County, the additional program revenues would have remained unexpended. *The Governor's partial veto deletes this provision. As a result, there is no change to Milwaukee County's shared revenue payments or to*

program revenue available for Milwaukee Child Protective Services.

[Act 9 Vetoed Section: 522m]

ITEM C-37. CHILD CARE YOUNGSTAR BONUSES

As passed by the Legislature, Assembly Bill 56 provides an additional \$1,935,700 annually to increase the YoungStar quality rating and improvement system adjustments to reimbursement rates under the Wisconsin Shares child care subsidy program to 15% for four-star providers and 30% for five-star providers. Assembly Bill 56 would have also required DCF to maintain the YoungStar adjustment at those same levels for four- and five-star providers through June 30, 2021. ***The Governor's partial veto deletes the requirement that DCF maintain the YoungStar adjustment for four- and five-star providers at 15% and 30%, respectively, through June 30, 2021. The additional funding budgeted for these rate adjustments is retained in Act 9.***

[Act 9 Vetoed Section: 9106(5f)]

ITEM C-38. ELECTIONS COMMISSION MATERIALS AND SERVICES LAPSE

As passed by the Legislature, Assembly Bill 56 would have transferred \$9,700 PR in 2019-20 from the Election Commission's materials and services appropriation to the general fund for the purpose of offsetting a portion of Electronic Registration Information Center expenses. ***The Governor's partial veto deletes this provision.***

Chg. to Enr. AB 56	
GPR - REV	- \$9,700
PR-Transfer	- \$9,700

[Act 9 Vetoed Section: 9212(1c)]

ITEM C-39. WISCONSIN EMPLOYMENT RELATIONS COMMISSION PROGRAM REVENUE LAPSE

As passed by the Legislature, Assembly Bill 56 would have specified that at the end of the fiscal year, any unencumbered balance in the Commission's fees, collective bargaining training, publications, and appeals annual PR appropriation that exceeds 10% of the expenditures from the appropriation in the fiscal year be transferred to the general fund. Under AB 56, the provision would only apply during the 2019-21 biennium. The bill estimated that transfers from the appropriation to the general fund would equal \$34,400 annually. ***The Governor's partial veto deletes this provision.***

Chg. to Enr. AB 56	
GPR - REV	- \$68,800

[Act 9 Vetoed Section: 9214(1c)]

HEALTH SERVICES AND INSURANCE

ITEM D-40. FOODSHARE EMPLOYMENT AND TRAINING FOR ABLE-BODIED ADULTS WITH DEPENDENTS

Chg. to Enr. AB 56	
GPR	- \$20,553,100
FED	<u>- 20,553,100</u>
Total	- \$41,106,200

As passed by the Legislature, Assembly Bill 56 would have provided \$9,786,600 (\$4,893,300 GPR and \$4,893,300 FED) in 2019-20 and \$31,319,600 (\$15,659,800 GPR and \$15,659,800 FED) in 2020-21 for costs associated with requiring certain able-bodied adults with dependents to participate in the FoodShare employment and training program (FSET). The \$20,553,100 GPR funding provided under this item would have been placed in the Joint Finance Committee's program supplements appropriation. *The Governor's partial veto deletes all GPR funding for this item. Although this partial veto does not reduce the federal funds appropriation for FSET vendor payments, the reduction in state expenditures has the effect of reducing federal matching funds by an estimated \$4,893,300 in 2019-20 and \$15,659,800 in 2020-21. Additionally, in his veto message, the Governor directs DHS to exempt able-bodied adults with school age dependents from sanctions under the work requirement, as allowed under federal law.*

Federal law, as referenced in the Governor's veto message, states that a state agency must reimburse the costs of transportation and other costs, including childcare, that the agency determines to be necessary and directly related to participation in the employment and training program. Individuals who have reimbursable monthly expenses in excess of available funding cannot be required to participate in that component of the employment and training program. If possible, these individuals must be placed in another suitable component of the employment and training program. However, if a suitable component is not available, these individuals are exempt from participation in the employment and training program until a suitable component is available or the individual's circumstances change and his or her monthly expenses no longer exceed the available and allowable reimbursement.

[Act 9 Vetoed Section: 126 (as it relates to s. 20.865(4)(a))]

ITEM D-41. FOODSHARE EMPLOYMENT AND TRAINING DRUG SCREENING FUNDING

Chg. to Enr. AB 56	
GPR	- \$64,700
FED	<u>- 90,200</u>
Total	- \$154,900

As passed by the Legislature, Assembly Bill 56 would have provided \$66,400 (\$27,800 GPR and \$38,600 FED) in 2019-20 and \$88,500 (\$36,900 GPR and \$51,600 FED) in 2020-21, to fund income maintenance costs associated with administration of the FSET drug tests and medical assistance costs associated with provision of substance abuse treatment. *The Governor's partial veto deletes all funding for this item. However, drug screening, testing, and treatment requirements for FSET participants who are able-bodied adults without dependents are not impacted.*

[Act 9 Vetoed Section: 126 (as it relates to ss. 20.435(4)(b), 20.435(4)(bn), 20.435(4)(nn), and

ITEM D-42. DISPROPORTIONATE SHARE HOSPITAL DSH PAYMENTS

As passed by the Legislature, Assembly Bill 56 would have required DHS to increase the amount of state funds allocated under the medical assistance program to hospitals that serve a disproportionate share of low-income patients (disproportionate share hospital, or DSH payments) by \$30,000,000 annually, applicable only during the two years of the 2019-21 biennium. The bill provides an increase of \$30,000,000 GPR annually for this purpose and increases the maximum DSH payment that a hospital may receive in any year from \$4,600,000 to \$9,600,000, also applicable only during the two years of the 2019-21 biennium. With this additional funding, the GPR allocation for DSH payments would have been increased from \$27,500,000 to \$57,500,000 annually and, with associated federal matching funds, total payments would have been increased to approximately \$141.5 million in 2019-20 and \$142.2 million in 2020-21, up from \$67.3 million in 2018-19.

The Governor's partial veto deletes references to "disproportionate share," the specific \$30,000,000 figure, and statutory references to the DSH program. With these partial vetoes, the Department is required, in both years of the biennium, to allocate "an additional amount" to "hospitals that serve low-income patients." The Department has discretion in determining how much additional funding to be allocated for payments and how this increase would be allocated to hospitals. The partial veto would not affect the additional funding provided by the bill for hospital payments and would retain the temporary increase to the maximum DSH payment. In the veto message, the Governor indicates that DHS is directed to develop a methodology for providing additional hospital supplements that ensures that no hospital will receive a reduction in DSH payments once the higher DSH cap is applied.

[Act 9 Vetoed Section: 9119(10p)]

ITEM D-43. MENDOTA JUVENILE TREATMENT CENTER

As passed by the Legislature, Assembly Bill 56 would have increased the project enumeration titled "Expansion of the Mendota Juvenile Treatment Center-Madison" that was enumerated as part of the 2017-19 building program by 2017 Act 185 from \$15,000,000 to be \$43,994,000. *The Governor's partial veto deletes the phrase "from \$15,000,000 to" so that the project enumeration is increased by \$43,994,000, for a total project enumeration of \$58,994,000 of general fund supported borrowing. Although the project enumeration is increased by \$15,000,000, no additional bonding is authorized by this partial veto. Under the partial veto of Item A-4, the Governor would direct that a separate bonding authorization be used to support this project.*

[Act 9 Vetoed Sections: 9104(6)(a) and 9319(1)]

ITEM D-44. MEDICAID REESTIMATE

Chg. to Enr. AB 56	
GPR	- \$30,000,000
FED	<u>- 43,992,300</u>
Total	- \$73,992,300

As passed by the Legislature, Assembly Bill 56 provides total GPR funding of \$3,265,161,800 in 2019-20 and \$3,471,752,300 in 2020-21 in the DHS appropriation for medical assistance program benefits. ***The Governor's partial veto reduces the appropriation by \$15,000,000 annually "based on updated expenditure projections." Although this partial veto does not reduce the federal funds appropriation for medical assistance, the reduction in state expenditures has the effect of reducing federal Medicaid matching funds by an estimated \$21,909,500 in 2019-20 and \$22,082,800 in 2020-21. The Department indicates that some program expenditures that would have normally been paid in July, 2019, were instead paid in June, 2019, which has the effect of reducing anticipated MA program expenditures in 2019-21.***

[Act 9 Vetoed Section: 126 (as it relates to s. 20.435(4)(b))]

ITEM D-45. PHYSICIAN AND BEHAVIORAL HEALTH FUNDING

Chg. to Enr. AB 56	
GPR	- \$10,000,000
FED	<u>- 14,664,000</u>
Total	- \$24,664,000

As passed by the Legislature, Assembly Bill 56 provided \$12,303,100 (\$5,000,000 GPR and \$7,303,100 FED) in 2019-20 and \$12,360,900 (\$5,000,000 GPR and \$7,360,900) in 2020-21 for reimbursement rate increases for physicians and behavioral health services under the medical assistance program. The GPR portion of these increases would have been provided in the Joint Committee on Finance program supplements appropriation, which would have required the Department to submit a request under s. 13.10 of the statutes to receive an appropriation supplement for such reimbursement rate increases. ***The Governor's partial veto deletes this funding increase. Although this partial veto does not reduce the federal funds appropriation for medical assistance, the reduction in state expenditures has the effect of reducing federal Medicaid matching funds by an estimated \$7,303,100 in 2019-20 and \$7,360,900 in 2020-21. The Governor indicates in the veto message that DHS is directed to implement reimbursement rate increases using base resources.***

[Act 9 Vetoed Section: 126 (as it relates to s. 20.865(4)(a))]

ITEM D-46. CRISIS INTERVENTION SERVICES

As passed by the Legislature, Assembly Bill 56 requires the Department of Health Services, rather than counties, to fund the non-federal share of crisis intervention services provided under medical assistance for counties that agree to meet certain conditions specified by the Department. The bill would have specified, however, that each participating county is required to annually contribute an amount toward this cost equal to 75% of the annual average of the county's crisis intervention services in calendar years 2016, 2017, and 2019, as determined by the Department. ***The Governor's partial veto deletes the reference to the three calendar years, leaving the county contribution equal to 75% of the annual average of the county's crisis intervention services as determined by the Department.***

[Act 9 Vetoed Section: 681]

ITEM D-47. QUALIFIED TREATMENT TRAINEE GRANTS

As passed by the Legislature, Assembly Bill 56 would have provided \$500,000 GPR annually, beginning in 2019-20, in a new annual appropriation, to fund qualified treatment trainee program grants. The bill would have defined a "qualified treatment trainee" to mean an individual who has a graduate degree from an accredited institution and course work in psychology, counseling, marriage and family therapy, social work, nursing, or a closely related field who has not yet completed the applicable supervised practice requirements for licensure as a clinical social worker, certification as a social worker, licensure as a professional counselor, licensure or certification as a marriage and family therapist, or licensure as a psychologist.

The bill would have: (1) required DHS to distribute \$500,000 in grants annually to support qualified treatment trainee programs; (2) specified that a grantee must establish and maintain a child, adolescent and family qualified treatment trainee program that provides qualified treatment trainees an opportunity to complete clinically supervised practice requirements in order to become credentialed and to obtain specialized training in mental health and behavioral health in children, youth, and families; (3) specified that a grantee must be a hospital or affiliate of a hospital or be qualified under federal law as a rural health clinic or federally qualified health center; (4) required grantees to provide a match to the grant amount; and (5) required grantees to use the state grants to fund clinical supervision, training, and resources, including salaries, benefits, and other related costs for trainees and clinical supervisors.

The Governor's partial veto retains the funding provided for the grants, but deletes: (a) references to "qualified treatment trainee programs" by deleting the words "qualified" and "trainee," so that DHS is directed to award grants to support "treatment programs;" (b) the definition of a "qualified treatment trainee;" (c) all program requirements described under (2) through (4) above; and (d) the requirement that grant funds be used for "clinical" supervision and trainees and clinical supervisors.

As a result of the partial vetoes, DHS is directed to award \$500,000 GPR in grants in each fiscal year to support treatment programs, which grantees could use to fund supervision, training, and resources, including salaries, benefits, and other related costs.

[Act 9 Vetoed Sections: 126 (as it relates to s. 20.435(1)(be)), 187m, and 1763m]

ITEM D-48. TELEHEALTH EXPANSION

As passed by the Legislature, Assembly Bill 56 makes several changes to statutory provisions related to medical assistance services delivered through telehealth technologies. The bill would have provided \$2,681,100 (\$1,088,200 GPR and \$1,592,900 FED) in 2019-20 and \$4,170,600 (\$1,692,900 GPR and \$2,477,700 FED) in 2020-21 for the additional expenditures associated with telehealth services. The GPR portion of these increases would have been provided in the Joint Committee on Finance program supplements appropriation, which would have required the Department to submit a request under s. 13.10 of the statutes to receive an appropriation supplement for such services. *The Governor's partial veto deletes the GPR funding increase. Although this*

Chg. to Enr. AB 56	
GPR	- \$2,781,100
FED	- 4,070,600
Total	- \$6,851,700

partial veto does not reduce the federal funds appropriation for medical assistance, the reduction in state expenditures has the effect of reducing federal Medicaid matching funds by an estimated \$1,592,900 in 2019-20 and \$2,477,700 in 2020-21. The Governor indicates in the veto message that DHS is directed to expand the use of telehealth services using base resources.

[Act 9 Vetoed Section: 126 (as it relates to s. 20.865(4)(a))]

ITEM D-49. PHYSICAL HEALTH SERVICE PROVIDER REIMBURSEMENT

Chg. to Enr. AB 56	
GPR	- \$1,000,000
FED	- 1,466,400
Total	- \$2,466,400

As passed by the Legislature, Assembly Bill 56 would have provided \$1,230,300 (\$500,000 GPR and \$730,300 FED) in 2019-20 and \$1,236,100 (\$500,000 GPR and \$736,100 FED) in 2020-21 for reimbursement rate increases for physical health services providers under medical assistance. The GPR portion of these increases would have been provided in the Joint Committee on Finance program supplements appropriation, which would have required the Department to submit a request under s. 13.10 of the statutes for an appropriation supplement for such increases. *The Governor's partial deletes the GPR funding increase. Although this partial veto does not reduce the federal funds appropriation for medical assistance, the reduction in state expenditures has the effect of reducing federal Medicaid matching funds by an estimated \$730,300 FED in 2019-20 and \$736,100 FED in 2020-21.*

[Act 9 Vetoed Section: 126 (as it relates to s. 20.865(4)(a))]

ITEM D-50. HUB-AND-SPOKE MENTAL HEALTH AND SUBSTANCE ABUSE TREATMENT MODEL

Chg. to Enr. AB 56	
GPR	- \$89,900
FED	- 808,900
Total	- \$898,800

As passed by the Legislature, Assembly Bill 56 would have provided \$898,800 (\$89,900 GPR and \$808,900 FED) in 2020-21 for substance abuse treatment services delivered under a hub-and-spoke treatment model. The GPR portion of this funding would have been provided in the Joint Committee on Finance program supplements appropriation, which would have required the Department to submit a request under s. 13.10 of the statutes for an appropriation supplement for the state-funded portion of this initiatives. *The Governor's partial deletes the GPR funding increase. Although this partial veto does not reduce the federal funds appropriation for medical assistance, the reduction in state expenditures has the effect of reducing federal Medicaid matching funds by an estimated \$808,900 FED in 2020-21. The Governor indicates in the veto message that DHS is directed to develop a hub-and-spoke treatment model using base resources.*

[Act 9 Vetoed Section: 126 (as it relates to s. 20.865(4)(a))]

ITEM D-51. RACINE COUNTY NURSING HOME LABOR REGION

As passed by the legislature, Assembly Bill 56 would have moved Racine County from its current labor region to the Milwaukee labor region, which includes Milwaukee, Ozaukee, Washington, and Waukesha counties, for purposes of calculating medical assistance (MA)

reimbursement to nursing homes. Further, DHS would have been required to adjust MA payments to nursing homes so that the direct care cost targets of facilities in Milwaukee, Ozaukee, Washington, and Waukesha counties are not reduced as a result of including facilities in Racine County in this labor region. ***The Governor's veto deletes this provision in its entirety.***

[Act 9 Vetoed Section: 664r]

ITEM D-52. SUICIDE PREVENTION GRANT

As passed by the Legislature, Assembly Bill 56 would have provided \$100,000 GPR in 2019-20 for DHS to provide a one-time grant to the Wisconsin Coalition of Mutual Assistance Association, Inc., to support suicide prevention activities conducted by the coalition in the 2019-21 biennium. ***The Governor's partial veto deletes the reference to the Wisconsin Coalition of Mutual Assistance Association, Inc. as the grantee. Consequently, DHS could award this grant to any entity to support suicide prevention activities in the 2019-21 biennium.***

[Act 9 Vetoed Section: 9119(6f)]

ITEM D-53. FOODSHARE EMPLOYMENT AND TRAINING ADMINISTRATIVE FUNDS

As passed by the legislature, Assembly Bill 56 would have provided \$1,777,400 (\$547,800 GPR and \$1,229,600 FED) in 2019-20 and \$2,601,200 (\$805,400 GPR and \$1,795,800 FED) in 2020-21 for the county income maintenance consortia to implement: the FSET drug screening, testing, and treatment requirement; the FSET for able-bodied adults requirement; the childless adult waiver provisions under MA; and the health savings accounts for MA. ***The Governor's partial veto deletes the \$1,777,400 (\$547,800 GPR and \$1,229,600 FED) provided in 2019-20 but retains the funding provided in 2020-21.***

Chg. to Enr. AB 56	
GPR	- \$547,800
FED	- 1,229,600
Total	- \$1,777,400

[Act 9 Vetoed Section: 126 (as it relates to ss. 20.435(4)(bn) and 20.435(4)(nm))]

ITEM D-54. FOODSHARE EMPLOYMENT AND TRAINING COST-TO-CONTINUE

As passed by the legislature, Assembly Bill 56 would have, as part of the FSET cost-to-continue item, provided \$1,000,000 GPR annually for FSET services for childless adults who are enrolled in medical assistance (but not FoodShare) and who are subject to a provision of a federal Medicaid waiver that establishes a 48-month time limit on enrollment, applicable for months that the person does not meet minimum work or community engagement standards. ***The Governor's partial veto deletes \$1,000,000 GPR annually for FSET services for these childless adults. This partial veto does not affect the waiver's conditional time limit provision.***

Chg. to Enr. AB 56	
GPR	- \$2,000,000

[Act 9 Vetoed Section: 126 (as it relates to s. 20.435(4)(bp))]

ITEM D-55. AUTHORITY TO REALLOCATE POSITIONS

As passed by the Legislature, Assembly Bill 56 would have required DHS to reallocate 5.0 current full-time equivalent positions to staff an infant mortality prevention program. DHS would have been required to report in its 2021-23 budget request any necessary budget adjustments to reflect this reallocation of positions. ***The Governor's partial veto deletes references to "infant mortality prevention" and "5.0 FTE." With these changes, DHS is directed to reallocate current authorized positions to staff "an program," and report in its 2021-23 budget request any necessary adjustments to reflect this allocation of positions.***

[Act 9 Vetoed Section: 9119(10)]

ITEM D-56. BIRTH TO 3 PROGRAM

As passed by the legislature, Assembly Bill 56 would have required DHS to transfer \$2,250,000 on a one-time basis from the children's community options program (CCOP) to Birth to 3 in 2019-20. Subsequently, DHS would have been required to transfer carry over funding from the community options program (COP) to CCOP in order to maintain funding for CCOP in each year of the 2019-21 biennium at its current budgeted level (\$11.2 million per year). ***The Governor's partial veto deletes the \$2,250,000 GPR transfer from COP to CCOP. Further, in his veto message, the Governor directs DHS to utilize the authority of s. 20.435 (7) (bt) as a continuing appropriation to split the \$2,250,000 GPR transfer over both years of the biennium, to avoid violating the federal maintenance of effort requirement that requires states to maintain the same level of state support compared to the prior year. Finally, the Governor's veto message directs DHS to request an annual increase of \$1,125,000 GPR in the Birth to 3 Program appropriation in its 2021-23 agency biennial budget request.***

[Act 9 Vetoed Section: 9219(1p)]

ITEM D-57. NITRATE TESTING FOR PRIVATE WELLS

As passed by the Legislature, Assembly Bill 56 would have provided \$3,000,000 GPR in 2019-20 in the Joint Committee on Finance program supplements appropriation to fund a program for nitrate testing and remediation for private wells with high nitrate levels. No statutory provisions relating to the program were included in the bill, other than a title in the DHS appropriation schedule ("Nitrate testing grant program"). ***As part of the Governor's partial veto that reduces the funding budgeted in the program supplements appropriation, the Governor's partial veto deletes all funding for this item. In addition, the Governor's partial veto deletes the title in the DHS appropriation schedule.***

Chg. to Enr. AB 56	
GPR	- \$3,000,000

[Act 9 Vetoed Section: 126 (as it relates to ss. 20.435(1)(ec) and 20.865(4)(a))]

ITEM D-58. WISCONSIN STATEWIDE PUBLIC SAFETY AND INTEROPERABLE COMMUNICATIONS SYSTEM

As passed by the Legislature, Assembly Bill 56 would have required the Department of Transportation (DOT) to issue a request for proposals for the Wisconsin Interoperable System for Communications by June 30, 2020, in collaboration with the Department of Military Affairs. In addition, it would have authorized DOT to spend up to \$500,000 for related professional consulting services. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Section: 9144(3)]

TRANSPORTATION, TAX, LOCAL GOVERNMENT AND ECONOMIC DEVELOPMENT

ITEM E-59. EXPANSION OF AUDITING ACTIVITY

As passed by the Legislature, Assembly Bill 56 would have extended the expiration date of the 38.0 audit and compliance project positions that were provided to the Department of Revenue in 2017 Act 59 from September 30, 2021, to the first September 30 occurring in the second fiscal biennium beginning after the effective date of the bill (September 30, 2023). *The Governor's partial veto deletes "the first September 30 occurring" from the provision. In his veto message, the Governor expressed that the intent of this partial veto is for the positions to expire on June 30, 2025. Compared to the bill passed by the Legislature, estimated state tax revenues are increased by \$24.0 million in 2023-24 and \$32.0 million in 2024-25.*

[Act 9 Vetoed Section: 9137(1p)]

ITEM E-60. DEFINING VAPOR PRODUCTS

As passed by the Legislature, Assembly Bill 56 would have imposed an excise tax on vapor products at the rate of five cents per milliliter of the liquid or other substance based on the volume as listed by the manufacturer, and at a proportionate rate for any other quantity or fractional part thereof. The bill would have defined a vapor product as a noncombustible product that produces vapor or aerosol for inhalation from the application of a heating element to a liquid or other substance that is depleted as the product is used, regardless of whether the liquid or other substance contains nicotine. *The Governor's partial veto deletes "to a liquid or other substance that is depleted as the product is used" from the definition of vapor products, but retains the imposition of the tax on vapor products as passed by the Legislature.*

[Act 9 Vetoed Section: 1754]

ITEM E-61. TOLLING AND MILEAGE-BASED FEE STUDY

As passed by the Legislature, Assembly Bill 56 would have required DOT to complete a tolling and mileage-based fee study, to report the findings of this study to the Legislature no later than December 1, 2022, and to include a recommendation regarding these fee structures in the Department's biennial budget request subsequent to the submission of the required report. The bill also provided \$2,500,000 SEG in 2019-20 for the purposes of completing this study. *The Governor's partial veto deletes all of the study-related requirements, but retains the associated funding in the Department's management and operations appropriation.*

[Act 9 Vetoed Section: 1082m]

ITEM E-62. REGISTRATION FEES BY WEIGHT CLASSIFICATION

Chg. to Enr. AB 56
SEG-REV \$7,184,800

As passed by the Legislature, Assembly Bill 56 would have modified the various fees for vehicles registered by gross vehicle weight, not exceeding 10,000 pounds, to instead require a uniform annual registration fee of \$100. The provisions increase the annual registration fees for vehicles not exceeding 4,500 pounds by \$25 and for vehicles not exceeding 6,000 pounds by \$16. For vehicles not exceeding 8,000 pounds, this provision would have reduced the current law registration fee by \$6 per year. For vehicles not exceeding 10,000 pounds, this provision would have reduced the current law registration fee by \$55 per year. *The Governor's partial veto would retain the vehicle fee increases for vehicles between 4,500 and 8,000 pounds in gross vehicle weight, but deletes the registration fee reductions for the two, heavier gross vehicle weight categories. The partial veto has the effect of increasing estimated transportation fund revenue, as compared to the bill, by \$3,027,600 in 2019-20 and by \$4,157,200 in 2020-21.*

Gross Weight Not Exceeding	Fee Amounts		
	Current Law	Bill	Act 9
4,500 lbs.	\$75	\$100	\$100
6,000	84	100	100
8,000	106	100	106
10,000	155	100	155

[Act 9 Vetoed Section: 1988b]

ITEM E-63. DISCRETIONARY SUPPLEMENT

Chg. to Enr. AB 56
GPR - \$15,000,000

As passed by the Legislature, Assembly Bill 56 would have provided \$90,000,000 GPR in 2019-20 to a newly-created GPR appropriation that would be used to fund local government project costs that would be eligible for program funding under the current law the local roads improvement program discretionary component, to be allocated as follows: (a) \$32,003,200 for county projects; (b) \$22,847,400 for municipalities; and (c) and \$35,149,400 for towns. As passed, the bill would have required a local project cost match of 10% of total project costs. DOT would have been required to solicit project applications for this funding,

beginning in 2019-20, until the funds appropriated would have been expended, and to promulgate administrative rules for this purpose. *The Governor's partial veto writes down the \$90,000,000 GPR appropriation to \$75,000,000 GPR and modifies the newly-created appropriation such that the funds may be used for "local grants," rather than exclusively for local roads improvement program projects. The partial veto also deletes the local government funding distribution requirements and local government project cost match. The Governor's veto message directs DOA not to allot the partially vetoed funds and indicates that the partial veto will allow DOT to use the remaining funding to address "critical transit and transportation needs."*

[Act 9 Vetoed Sections: 126 (as it relates to s. 20.395(2)(fc)), 184s, and 1095m]

ITEM E-64. FUEL SUPPLIERS ADMINISTRATIVE ALLOWANCE

Chg. to Enr. AB 56
SEG-REV \$8,500,000

As passed by the Legislature, Assembly Bill 56 would specify that the reduction in the motor vehicle fuel suppliers administrative allowance percentage would first be effective on the first day of the year that occurs 4 years after the effective date of the bill. *The Governor's partial veto deletes "4 years" from the provision, which would instead make the provision effective on January 1, 2020. Compared to the bill passed by the Legislature, estimated transportation fund revenues are increased by \$2,800,000 in 2019-20 and \$5,700,000 in 2020-21.*

[Act 9 Vetoed Section: 9437(5f)]

ITEM E-65. QUARRY LOCAL ZONING PREEMPTION

As passed by the Legislature, Assembly Bill 56 would have limited the authority of a political subdivision (county, city, village, or town) to place limits on the operation of a quarry that produces nonmetallic minerals, including soil, clay, sand, gravel, and construction aggregate, that are used primarily for a public works project or a private construction or transportation project. This would have prohibited political subdivisions from limiting nonconforming-site operations, blasting, water quality and quantity, air quality, and fugitive dust at quarry operations. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Sections: 760c thru 777m and 1103m]

ITEM E-66. SUPPLEMENTAL TRANSPORTATION AIDS

As passed by the Legislature, Assembly Bill 56 provides \$2,500,000 SEG annually from an annual, sum certain transportation fund appropriation to fund supplemental mileage aid payments to towns that are currently limited by the 85% of three-year average cost limitation under the general transportation aid program. This supplemental aid program will sunset on June 30, 2021. Among other requirements, the bill would have required DOT to determine supplemental mileage aid amounts due to local governments by October 1, of the year prior to the calendar year for which the aid is to be provided. *The Governor's partial veto deletes the requirement that DOT determine the aid amount to be awarded by October 1. The effect of the partial veto is to require DOT to determine*

aid amounts payable at any point prior to the calendar year in which the aid would be payable.

[Act 9 Vetoed Section: 1091m]

ITEM E-67. WHEEL TAX FEE INCREASE

As passed by the Legislature, Assembly Bill 56 would have required DOT to increase its wheel tax processing fee by 10 cents per vehicle (to 27 cents), which would increase transportation fund revenue by \$176,000 SEG-REV annually and provide \$176,000 SEG annually for Division of Motor Vehicles (DMV) postage costs. This action was taken by the Joint Committee on Finance as part of funding an increase to DMV for postage costs. *The Governor's partial veto deletes the 10-cent increase to this DOT processing fee, but retains the associated appropriation of transportation fund revenue for DMV postage costs.*

[Act 9 Vetoed Section: 1988m]

ITEM E-68. LIEUTENANT GOVERNOR SECURITY

As passed by the Legislature, AB 56 would have prohibited DOT from spending from the State Patrol general operations appropriations more in the 2019-21 biennium for the security and safety of the Lieutenant Governor than was expended in the 2017-19 biennium. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Section: 9144(4o)]

ITEM E-69. REQUIRED INTERCHANGE FOR I-41 IN BROWN AND OUTAGAMIE COUNTIES

As passed by the Legislature, AB 56 would have required DOT to construct an interchange with I-41 and local roads, near the intersection of Southbridge Road, as part of the newly-enumerated I-41 major highway development project in Brown and Outagamie counties. *The Governor's partial veto deletes the interchange construction requirement, but retains I-41 as a major highway development project enumeration.*

[Act 9 Vetoed Section: 1078d]

ITEM E-70. INITIAL APPLICABILITY OF REGISTRATION FEE INCREASES

As passed by the Legislature, AB 56 specified that registration fee increases for automobiles and light trucks would have initially applied to applications received by the Department on October 1, 2019. The Governor's partial veto retains the October 1 initial applicability date, but deletes the "received by" phrasing included in the bill as passed. *The Governor's veto message indicates that this partial veto is intended to eliminate the potential for vehicle owners with the same registration expiration dates to be charged different registration fee amounts, depending on when the*

registration application would have been received by DOT.

[Act 9 Vetoed Sections: 9344(1) and 9344(4o)]

ITEM E-71. NOISE BARRIER IN MILWAUKEE COUNTY

As passed by the Legislature, AB 56 would have required DOT to install a noise barrier in the 2019-21 biennium along the east side of I-41 adjacent to 112th Street, between Clarke Street and Center Street in Milwaukee County. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Section: 9144(4e)]

ITEM E-72. PASSENGER RAIL

As passed by the Legislature, Assembly Bill 56 would have required the Department of Transportation to receive approval of the Joint Committee on Finance prior to using any monies appropriated under DOT's newly-created passenger rail development transportation fund SEG appropriation. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Section: 1082p]

ITEM E-73. DIRECT SALE OF MOTOR VEHICLES FROM MANUFACTURER

As passed by the Legislature, AB 56 would have allowed for dealerships owned directly by a manufacturer to sell vehicles if that manufacturer solely manufactures vehicles power only by electricity. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Sections: 1826g thru 1826s]

ITEM E-74. CITY OF KAUKAUNA BRIDGE

As passed by the Legislature, AB 56 would have required DOT to fund repair work from the local bridge assistance program on Veterans Memorial Bridge in the City of Kaukauna. *The Governor's partial veto deletes this provision.*

[Act 9 Vetoed Sections: 184o and 9144(4x)]

ITEM E-75. ALTERNATIVE PROJECT DELIVERY

As passed by the Legislature, AB 56 would have created an office of innovative program delivery within the Department of Transportation to administer a newly-created, design-build project delivery pilot program that would have been limited to six design-build projects in total and subject to various administrative requirements. *As partially vetoed, Act 9 would retain the requirement that DOT administer a program for design-build projects. However, the partial veto deletes provisions*

of the bill related to the following: (a) the office of innovative program delivery; (b) specified limitations on the total number and costs of the design-build projects that the Department would have been able to undertake; (c) procedures and requirements related to the technical review committee that would have been responsible for evaluating design-build project bids; (d) requirements that responsive design-build bidders be paid a stipulated fee; (e) an appeals process; and (f) the definitions of "design professional," as it relates to professional registration, "member," as it relates to a member of a consortium or joint venture, and "project," as it relates to highway facilities projects.

Definitions. *The partial veto would retain most of the definitions related to this program. The following program definitions are modified by the partial veto such that: (a) "design-builder" would mean a private legal entity, consortium, or joint venture that proposes to or executes a contract to design, engineer, and construct a project under this section; (b) "fixed price variable scope design-build contract" would mean a design-build contract award made to the qualified responsible bidder able to provide the best scope of work at a price not to exceed a fixed price; (c) "office" would mean the Department; and (d) "qualified responsible bidder" would mean a design-builder responding to a request for qualifications.*

Request for Qualifications. *The Governor's partial veto deletes a stipulation that would have prohibited DOT from including a level of experience requirement in requests for qualification that unreasonably restricts competition. The partial veto also deletes the requirements relating to contractors' duration and extent of contracting activities in the state, related standards for professional standing, and stipulations regarding the advertisement of qualifications.*

Request for Proposals. *The Governor's partial veto deletes the requirements related to the percentage of design-build work that would have been required to be performed directly by the prime, design-build contractor.*

Cost Proposals. *The partial veto deletes all provisions related to the submission of cost proposals by contractors, except for the requirement that the Department maintain the confidentiality of information provided by design builders as required under current law for other bidder information administered by DOT.*

Rules. *The partial veto deletes a provision that would have limited the Department's emergency rulemaking authority under the bill to certain components of the design-build process, which has the effect of expanding this authority to any phase of the design-build process established under the Act.*

[Act 9 Vetoed Sections: 46m, 1079m, 1089m, 9144(4p), and 9144(4q)]

ITEM E-76. PAYMENTS TO OFFSET REDUCTION IN VIDEO SERVICE PROVIDER FEES

As passed by the Legislature, Assembly Bill 56 would provide \$5,000,000 GPR in 2020-21 and \$10,000,000 GPR in 2021-22 through 2029-30 from a sum certain appropriation for state aid payments distributed to municipalities associated with a requirement that municipalities reduce the

fee percentage that each can assess on video service provider's gross receipts. AB 56 would require that this percentage, which cannot exceed 5.0% under current law, must equal the percentage applied on December 31, 2018, less 0.5%, effective January 1, 2020, and less 1.0%, effective January 1, 2021. AB 56 would distribute aid payments to compensate each municipality for the reduction in fee revenues. For aid payments distributed in 2020, each municipality's payment would equal 0.5% of the reported gross receipts on which the fee revenues were received in 2018. Beginning with aid payments distributed in 2021, and each year thereafter through 2029, each municipality's aid payment would equal 1.0% of the reported gross receipts on which the fee revenues were received in 2019. Aid payments would be made annually for 10 years, with final payments being distributed in 2029. ***The Governor's partial veto makes the municipal aid payments permanent by deleting the provision that requires that aid payments end in 2029.***

[Act 9 Vetoed Section: 1073g]

ITEM E-77. ECONOMIC DEVELOPMENT GRANT FOR MILWAUKEE 7 ECONOMIC DEVELOPMENT PARTNERSHIP

As passed by the Legislature, Assembly Bill 56 would have required the Wisconsin Economic Development Corporation (WEDC) to allocate funding of \$250,000 in 2019-20 from its economic development fund operations and programs SEG appropriation to the Milwaukee 7 Economic Development Partnership to support efforts by the 128th air refueling wing of the Wisconsin Air National Guard to secure basing of the U.S. Air Force's KC-46 tanker aircraft. ***The Governor's partial veto deletes this provision.***

[Act 9 Vetoed Section: 9149(1i)]

ITEM E-78. FABRICATION LABORATORIES GRANT PROGRAM

As passed by the Legislature, Assembly Bill 56 would have required WEDC to allocate at least \$500,000 from its economic development fund operations and programs SEG appropriation in 2019-20 and 2020-21 to continue a fabrication laboratory program as was provided for in the 2017-19 biennium. ***The Governor's partial veto deletes this provision.***

[Act 9 Vetoed Section: 9149(1g)]