



**LEGISLATIVE
FISCAL BUREAU**

STATE OF WISCONSIN

July 7, 2023

**Partial Vetoes of 2023
Wisconsin Act 19**

2023 Senate Bill 70

2023-25 Wisconsin State Budget

2023-25 WISCONSIN STATE BUDGET

2023 Senate Bill 70

Summary of Partial Vetoes of 2023 Wisconsin Act 19

Legislative Fiscal Bureau

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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 2023 Senate Bill 70 (the state's 2023-25 budget) into law on July 5, 2023. The Governor exercised his partial veto authority over 51 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 5, 2023, 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

2023-25 General Fund Condition Statement

Enrolled Senate Bill 70

	<u>2023-24</u>	<u>2024-25</u>
Revenues		
Opening Balance, July 1	\$6,876,958,600	\$2,284,429,300
Taxes	19,244,800,000	20,680,000,000
Departmental Revenues		
Tribal Gaming Revenues	0	6,892,700
Other	<u>781,472,200</u>	<u>645,198,000</u>
Total Available	\$26,903,230,800	\$23,616,520,000
 Appropriations, Transfers, and Reserves		
Gross Appropriations	\$22,656,252,700	\$21,041,881,400
Transfers to:		
Building Program	1,234,081,900	0
PFAS Trust Fund	110,000,000	0
Local Government Fund	0	1,563,380,000
Innovation Fund	0	303,000,000
Transportation Fund		
EV Sales Tax	39,300,000	55,100,000
0.25% Transfer	48,112,000	51,700,000
Other	555,523,900	0
Compensation Reserves	311,180,900	397,930,000
Less Lapses	<u>-335,649,900</u>	<u>-384,237,300</u>
Net Appropriations	\$24,618,801,500	\$23,028,754,100
 Balances		
Gross Balance	\$2,284,429,300	\$587,765,900
Less Required Statutory Balance	<u>-100,000,000</u>	<u>-105,000,000</u>
Net Balance, June 30	\$2,184,429,300	\$482,765,900

TABLE 2

2023-25 General Fund Condition Statement

2023 Wisconsin Act 19

	<u>2023-24</u>	<u>2024-25</u>
Revenues		
Opening Balance, July 1	\$6,876,958,600	\$4,346,538,500
Taxes	21,250,700,000	22,013,600,000
Departmental Revenues		
Tribal Gaming Revenues	0	8,892,700
Other*	<u>832,581,400</u>	<u>726,524,800</u>
Total Available	\$28,960,240,000	\$27,095,556,000
 Appropriations, Transfers, and Reserves		
Gross Appropriations	\$22,651,152,700	\$21,040,881,400
Transfers to:		
Building Program	1,234,081,900	0
PFAS Trust Fund	110,000,000	0
Local Government Fund	0	1,563,380,000
Innovation Fund	0	303,000,000
Transportation Fund		
EV Sales Tax	39,300,000	55,100,000
0.25% Transfer	48,112,000	51,700,000
Other	555,523,900	0
Compensation Reserves	311,180,900	397,930,000
Less Lapses	<u>-335,649,900</u>	<u>-384,237,300</u>
Net Appropriations	\$24,613,701,500	\$23,027,754,100
 Balances		
Gross Balance	\$4,346,538,500	\$4,067,801,900
Less Required Statutory Balance	<u>-100,000,000</u>	<u>-105,000,000</u>
Net Balance, June 30	\$4,246,538,500	\$3,962,801,900

*Includes \$51.3 million in 2023-24 and \$98.5 million in 2024-25 in additional interest earnings due to the increased balances.

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PUBLIC INSTRUCTION AND CHILD CARE

ITEM A-1. PER PUPIL REVENUE LIMIT ADJUSTMENT

As passed by the Legislature, Senate Bill 70 would have set the per pupil adjustment under revenue limits at \$325 in 2023-24 and 2024-25, and there would have been no per pupil adjustment in 2025-26 and each year thereafter. *The Governor's partial veto modified the language of the per pupil adjustment that set the \$325 amount "in the 2023-24 school year and the 2024-25 school year" by deleting words and digits to instead set the \$325 amount "in 2023-2425."*

[Act 19 Vetoed Sections: 402 thru 404 and 408]

ITEM A-2. HIGH POVERTY AID

As passed by the Legislature, Senate Bill 70 deleted \$16,830,000 GPR annually and the appropriation and program statutes for high poverty aid. *The Governor's partial veto deletes the repeal of the appropriation and program statutes for high poverty aid. However, under Act 19 as vetoed, no funding is provided for this aid, as a veto cannot restore funding removed by previous legislative action.*

[Act 19 Vetoed Sections: 67, 394 thru 396, 400, 401g, and 9334]

ITEM A-3 LAKELAND STAR ACADEMY

As passed by the Legislature, Senate Bill 70 would have provided \$250,000 in 2023-24 and \$500,000 in 2024-25 in a newly-created annual appropriation for grants to the Lakeland STAR Academy. The Department of Public Instruction (DPI) would have been required to provide a grant equal to the amount appropriated in each year to the Lakeland UHS School District for the Lakeland STAR Academy, a charter school authorized by the district. The appropriation would have been repealed on July 1, 2025. *The Governor's partial veto deletes these provisions.*

Chg. to Enr. SB 70	
GPR	- \$750,000

[Act 19 Vetoed Sections: 51 (as it relates to s. 20.255(2)(ag)), 65, 66, 9134, and 9434]

ITEM A-4 ONLINE EARLY LEARNING PILOT PROGRAM

As passed by the Legislature, Senate Bill 70 would have modified the nonstatutory language that created the Online Early Learning Pilot Program under 2019 Act 170 to specify that the repeal of the appropriation for the program would take effect on July 1, 2027, rather than July 1, 2023. Language requiring a contract for a service provider to administer the program from July 1, 2020, to June 30, 2023, and language referring to the three years of the contract would have been deleted. Senate Bill 70 would have retained the appropriation for the program at \$500,000 GPR annually. *The Governor's partial veto deletes*

Chg. to Enr. SB 70	
GPR	- \$1,000,000

these provisions.

[Act 19 Vetoed Sections: 51 (as it relates to s. 20.255(3)(df)) and 473 thru 476]

ITEM A-5. CHILD CARE FUND

As passed by the Legislature, Senate Bill 70 would have created a continuing appropriation for the Wisconsin Economic Development Corporation (WEDC) to create a revolving loan fund for child care providers and provided \$15,000,000 GPR in 2023-24 in the Committee's supplemental appropriation for this purpose. *The Governor's partial veto removes references from the appropriation to revolving loans. As partially vetoed, WEDC would not be limited to expending funding solely on loans, and could, for example, issue grants to child care providers that are not required to be repaid.*

[Act 19 Vetoed Sections: 51 (as it relates to s. 20.192(1)(bn)) and 61]

ITEM A-6. REWARD BONUSES

As passed by the Legislature, Senate Bill 70 would have provided \$5,000,000 FED in 2024-25 to support enhanced stipends under the Rewarding Education with Wages and Respect for Dedication (REWARD) program. The REWARD program provides stipends to child care providers and teachers, provided that they meet certain requirements for education, employment, and career longevity based on the individual's career level in the Registry, a credential system for the child care and education profession. *The Governor's partial veto removes the requirement for this funding to be expended solely for the REWARD program. Consequently, the Department of Children and Families may also expend this funding on the Teacher Education and Compensation Helps (TEACH) program, which provides scholarships to teachers and child care providers for educational costs directly related to the child care field.*

[Act 19 Vetoed Section: 282c]

GENERAL FUND TAXES, UW SYSTEM, AND GRANT PROGRAMS

ITEM B-7. INDIVIDUAL INCOME TAX RATE REDUCTION

As passed by the Legislature, Senate Bill 70 would have reduced the top marginal individual income tax rate from 7.65% to 6.50%, collapsed the third bracket (5.30%) into the second bracket (4.65%) and reduced the corresponding rate to 4.40%, and reduced the 3.54% rate to 3.50%. Estimated individual income taxes would have been reduced by \$1,489,300,000 in 2023-24 and by \$1,421,400,000 in 2024-25. *The Governor's partial veto deletes the provisions reducing the rates for the top bracket (7.65%) and the third*

Chg. to Enr. SB 70
GPR-Tax \$2,736,100,000

bracket (5.30%). Under the partial veto, the estimated income tax reduction equals \$86,800,000 in 2023-24 and \$87,800,000 in 2024-25. Compared to the bill as passed by the Legislature, estimated individual income tax revenues are increased by \$1,402,500,000 in 2023-24 and \$1,333,600,000 in 2024-25.

The following tables show the individual income tax rate and bracket schedule under prior law, under enrolled Senate Bill 70, and under Act 19 after the Governor's partial veto.

Individual Income Tax Rate and Bracket Schedule under Prior Law, Tax Year 2023

<u>Tax Rate</u>	<u>Income Tax Brackets by Filing Status</u>		
	<u>Single and Head-of-Household</u>	<u>Married-Joint</u>	<u>Married-Separate</u>
3.54%	\$0 to \$13,810	\$0 to \$18,420	\$0 to \$9,210
4.65%	13,810 to 27,630	18,420 to 36,840	9,210 to 18,420
5.30%	27,630 to 304,170	36,840 to 405,550	18,420 to 202,780
7.65%	304,170 and over	405,550 and over	202,780 and over

Tax Rate and Bracket Schedule under Enrolled Senate Bill 70, Tax Year 2023

<u>Tax Rate</u>	<u>Income Tax Brackets by Filing Status</u>		
	<u>Single and Head-of-Household</u>	<u>Married-Joint</u>	<u>Married-Separate</u>
3.50%	\$0 to \$13,810	\$0 to \$18,420	\$0 to \$9,210
4.40%	13,810 to 304,170	18,420 to 405,550	9,210 to 202,780
6.50%	304,170 and over	405,550 and over	202,780 and over

Tax Rate and Bracket Schedule under Act 19, Tax Year 2023

<u>Tax Rate</u>	<u>Income Tax Brackets by Filing Status</u>		
	<u>Single and Head-of-Household</u>	<u>Married-Joint</u>	<u>Married-Separate</u>
3.50%	\$0 to \$13,810	\$0 to \$18,420	\$0 to \$9,210
4.40%	13,810 to 27,630	18,420 to 36,840	9,210 to 18,420
5.30%	27,630 to 304,170	36,840 to 405,550	18,420 to 202,780
7.65%	304,170 and over	405,550 and over	202,780 and over

[Act 19 Vetoed Sections: 328, 329, 332, 333, 336, and 337]

ITEM B-8. WITHHOLDING TABLE UPDATE

As passed by the Legislature, Senate Bill 70 would have required the

Chg. to Enr. SB 70
GPR-Tax \$603,400,000

Secretary of the Department of Revenue to issue guidance to update the individual income tax withholding tables no later than October 1, 2023, to reflect the individual income tax rates, brackets, and sliding scale standard deduction in effect for tax year 2024. The withholding table update would have taken effect January 1, 2024. ***The Governor's partial veto deletes this provision. Compared to the bill as passed by the Legislature, estimated individual income tax revenues are increased by \$603,400,000 in 2023-24.***

[Act 19 Vetoed Section: 9137]

ITEM B-9. FUNDS OF FUNDS PROGRAM

As passed by the Legislature, Senate Bill 70 provides \$25 million GPR in 2023-24 for the fund of funds investment program and would have required the investment manager to pay gross proceeds from investment of the funds up to the amount provided by the state (\$25 million) for deposit to the general fund. Additionally, 90% of gross proceeds thereafter would have been deposited to the general fund. The bill also would have required the Department of Administration to produce a progress report for the fund of funds investment program no later than March 1, 2024. ***The Governor's partial veto eliminates the requirement for the investment manager to return gross proceeds to the state for deposit to the general fund. Additionally, it eliminates the requirement for the Department to submit a progress report regarding the program to the Joint Committee on Finance in 2024.***

[Act 12 Vetoed Sections: 31 thru 33 and 35]

ITEM B-10. DIVERSITY, EQUITY, AND INCLUSION POSITIONS

Chg. to Enr. SB 70 Positions	
GPR	188.80

As passed by the Legislature, Senate Bill 70 would have deleted 188.80 GPR positions beginning in 2023-24 from UW System's general program operations appropriation and would have required that the eliminated positions be positions that perform functions related to diversity, equity, and inclusion. ***The Governor's partial veto deletes this provision. The veto message indicates that the Board of Regents retain position authority for the 188.80 positions.***

[Act 19 Vetoed Section: 9147(1)]

ITEM B-11. WASHINGTON COUNTY BRANCH CAMPUS TRANSITION

Chg. to Enr. SB 70	
GPR	-\$3,350,000

As passed by the Legislature, Senate Bill 70 would have provided \$3,350,000 GPR in the Joint Committee on Finance's supplemental appropriation in 2023-24 for release to UW System upon request and approval by the Committee for the transition of UW-Milwaukee at Washington County from a UW-Milwaukee branch campus to a joint Moraine Park Technical College/Washington County operation pursuant to a plan required to be submitted by UW System in 2023-24. The bill would have required the plan to include information regarding matching

funds from Washington County and from private donations. *The Governor's partial veto reduces the Joint Committee on Finance's supplemental appropriation by \$3,350,000 in 2023-24 and deletes the provisions related to the required branch campus transition plan.*

[Act 19 Vetoes Sections: 51 (as it relates to 20.865(4)(a)) and 9147(2)]

ITEM B-12. VISIT MILWAUKEE EARMARK

As passed by the Legislature, Senate Bill 70 would have provided \$10,000,000 GPR in 2023-24 under Tourism's biennial marketing appropriation for a grant to Visit Milwaukee. *The Governor's partial veto reduces the grant to \$1,000,000 to Visit Milwaukee, and retains the remaining \$9,000,000 for Tourism's general marketing purposes. The Governor's partial veto also removes the requirement of awarding the grant in fiscal year 2023-24.*

[Act 19 Vetoes Section: 9143(3)]

ITEM B-13. TALENT ATTRACTION AND RETENTION INITIATIVES

As passed by the Legislature, Senate Bill 70 would have required WEDC to expend at least \$4,000,000 from its existing GPR and SEG state appropriations for operations and programs during the 2023-25 biennium for talent attraction and retention initiatives. Further, in consultation with the Department of Veterans Affairs, WEDC would have been required to expend at least \$2,000,000 of this funding during the 2023-25 biennium on efforts to attract and retain veterans to Wisconsin's workforce. WEDC would have also been required to evaluate its talent attraction and retention initiatives, including program outcomes and the number of veterans discharged that choose Wisconsin for their first move, and report its findings to the Assembly Committee on Jobs, Economy, and Small Business Development and the Senate Committee on Economic Development and Technical Colleges on or before September 1, 2024, and September 1, 2025. *The Governor's partial veto deletes these provisions.*

[Act 19 Vetoes Section: 9149]

ITEM B-14. VIBRANT SPACES GRANT PROGRAM

As passed by the Legislature, Senate Bill 70 would have prohibited WEDC from expending any funding from its existing GPR and SEG state appropriations for operations and programs for a vibrant spaces grant program as constituted under its policies and procedures on May 1, 2023, or any similar program. *The Governor's partial veto deletes this provision.*

[Act 19 Vetoes Section: 436]

HEALTH, HOUSING, AND VETERANS PROGRAMS

ITEM C-15. MEDICAID COVERAGE OF GENDER-AFFIRMING CARE

As passed by the Legislature, Senate Bill 70 would have prohibited payment, under the Medical Assistance program, for puberty-blocking drugs used for the purposes of gender dysphoria or gender transition, or for gender reassignment surgery. *The Governor's partial veto deletes this provision.*

[Act 19 Vetoed Sections: 308 thru 311]

ITEM C-16. HOUSING REHABILITATION

As passed by the Legislature, Senate Bill 70 would have provided \$50 million in 2023-24 in a new, continuing appropriation for deposit in the existing housing rehabilitation loan fund under the Wisconsin Housing and Economic Development Authority for the workforce housing rehabilitation loan program. *The Governor's partial veto deletes "loan fund" from the appropriation title and deletes the requirement that the funds be deposited in the existing housing rehabilitation loan fund. The Governor's veto message indicates the intent of the provision would be to use funding for grants or forgivable loans, rather than only for revolving loans.*

[Act 19 Vetoed Sections: 51 (as it relates to s. 20.490(6)(d)) and 134]

ITEM C-17. FAMILY CARE MANAGED CARE ORGANIZATIONS REPORT

As passed by the Legislature, Senate Bill 70 would have required the Department of Health Services (DHS) to report the managed care organizations' executive leadership salaries, as well as the amounts retrieved by the state under the contractual risk corridors, on the managed care organizations' publicly-available financial summaries for the Family Care program, the Family Care Partnership program, and the Program for the All-Inclusive Care for the Elderly. Further, Senate Bill 70 would have required the managed care organizations for these programs to track and report to the Department the total authorized and total provided care plan hours by service category in order for DHS to report this information to the Joint Committee on Finance by April 1 of each year. *The Governor's partial veto deletes this provision.*

[Act 19 Vetoed Section: 244]

ITEM C-18. NEWBORN SCREENING PROGRAM CARD FEE

As passed by the Legislature, Senate Bill 70 would have specified that the newborn screening card fee imposed by the Department of Health Services (DHS) under s. 253.13 of the statutes must be no less than \$159.25 per card (an increase of

Chg. to Enr. SB 70

PR-REV	\$3,825,200
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\$50.25 per card), and that no less than \$110.75 from each newborn screening card sold be credited to the State Laboratory of Hygiene. This would have generated an estimated additional \$2,688,400 in revenue annually. *The Governor's partial veto deletes the "5", decimal point, and "2" from \$159.25 and the "110" and decimal point from \$110.75 so that the provision specifies that the newborn screening card fee must be no less than \$195, and at least \$75 of this amount is required to be credited to the State Laboratory of Hygiene. This would be expected to generate an additional \$1,912,600 in revenue annually compared to Senate Bill 70 as passed by the Legislature.*

[Act 19 Vetoed Section: 438m]

ITEM C-19. STUDY FOR A MASTER PLAN FOR THE VETERANS HOMES

As passed by the Legislature, Senate Bill 70 would have required the Department of Veterans Affairs to contract with a vendor to develop a master plan for the campus of the Wisconsin Veterans Home at King, by January 1, 2025. *The Governor's partial veto eliminates references to King, such that the requirement to develop a master plan refers, instead, to "Wisconsin Veterans Home."*

[Act 19 Vetoed Section: 9148(1)]

ITEM C-20. MEDICAL COLLEGE OF WISCONSIN PSYCHIATRY AND BEHAVIORAL HEALTH RESIDENCY PROGRAM REPORTING REQUIREMENTS

As passed by the Legislature, Senate Bill 70 would have required the Medical College of Wisconsin (MCW) to include additional items in a report under current law that is to be submitted by October 15 of each even-numbered year to the Governor and the Joint Committee on Finance and the Chief Clerk of each house of the Legislature for distribution to the appropriate standing committees. These additional items would have been: (a) the financial status of the psychiatry and behavioral health practice residency sites; (b) the number of psychiatry and behavioral health residents choosing to practice in medically underserved areas of Wisconsin upon graduation; and (c) the number of graduates entering psychiatry and behavioral health practice as a career. *The Governor's partial veto eliminates the additional reporting requirements related to the psychiatry and behavioral health residency program.*

[Act 19 Vetoed Section: 1]

<p style="text-align: center;">BUILDING PROGRAM, MUNICIPAL AID, TRANSPORTATION, AND JUSTICE</p>
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ITEM D-21. GRANTS FOR LOCAL PROJECTS

As passed by the Legislature, Senate Bill 70 establishes a grant program under the Building

Commission to assist non-state organizations in carrying out construction projects having a statewide public purpose. Senate Bill 70 would have limited the maximum amount that could be awarded to a project to \$4,000,000 and prohibited the Building Commission from awarding a grant for a construction project unless the Joint Committee on Finance approves the grant and finds that the project is in the public interest and serves one or more statewide public purposes. Senate Bill 70 would have also required that the municipality in which the construction project is or will be located apply to the Building Commission for the grant on behalf of the nonstate organization carrying out the construction project. ***The Governor's partial veto deletes the maximum amount a project could be awarded, the requirement that the Joint Committee on Finance approve the grants and make a determination of statewide public purpose, and the requirement that municipalities would have to apply for the grants on behalf of the nonstate organizations.***

[Act 19 Vetoed Section: 8]

ITEM D-22. TYPE 1 JUVENILE CORRECTIONAL FACILITY AND THE NATIONAL GUARD CHALLENGE ACADEMY

As passed by the Legislature, Senate Bill 70 allocates segregated revenue for project planning, development, design, site selection, and land and property acquisition for a new 72,000 gross square foot Type 1 juvenile correctional facility (\$6,000,000) and to develop preliminary plans and specifications for the construction of the 71,000 gross square foot Wisconsin National Guard Challenge Academy located at Fort McCoy (\$700,000). ***The Governor's partial veto deletes the specifications that the Type 1 juvenile correctional facility and the Wisconsin National Guard Challenge Academy be 72,000 and 71,000 gross square feet, respectively.***

[Act 19 Vetoed Sections: 9104(8) and (9)]

ITEM D-23. STATE CAPITOL FIBER AND CABLE UPGRADES

As passed by the Legislature, Senate Bill 70 allocates \$1,200,000 of segregated revenue to develop preliminary plans and specifications for fiber and cable upgrades at the State Capitol and would have required the Division of Facilities Development (DFD) in DOA to coordinate with the Chief Clerk of each house of the Legislature and the Legislative Technology Services Bureau (LTSB) in developing those plans. ***The Governor's partial veto deletes the requirement that DFD coordinate with the Chief Clerk of each house of the Legislature and LTSB in developing plans for this project.***

[Act 19 Vetoed Section: 9104(11)]

ITEM D-24. LAC COURTE OREILLES DECISION - AID PAYMENTS

As passed by the Legislature, Senate Bill 70 would create an annual PR appropriation, funded at \$0 from tribal gaming revenue, to provide an aid payment to counties affected by the federal Circuit Court of Appeals decision that resulted in the exemption of certain property covered under the 1854 Treaty of La Pointe from property taxation. The appropriation would have sunset on July

1, 2025. Senate Bill 70 also included \$3,613,000 PR in the Joint Committee on Finance supplemental appropriation, for the Committee to release in order to make the one-time payments to the affected counties. Finally, the bill would have created a PR appropriation under the Department of Administration's Indian gaming revenues appropriation to reflect the appropriation of the funds, which would have also sunset on July 1, 2025. ***The Governor's partial veto repeals the provision that limits the aid payments to just affected counties. As a result of this veto, the newly-created tribal gaming PR appropriation could be used to provide payments to any local taxing jurisdiction for not being able to impose local general property taxes on the exempt property, although the veto message indicates that the payments would be made to municipalities as well as counties. The partial veto also repeals the provisions that specified that the appropriations would sunset on July 1, 2025.***

[Act 19 Vetoed Sections: 152, 163, 164, and 9451]

ITEM D-25. TOWN OF SANBORN LEVY LIMITS

As passed by the Legislature, Senate Bill 70 would have prohibited the Town of Sanborn from imposing a mill rate above five mills, specified that the Town could no longer use the current law levy limit adjustment to exceed its levy limit for debt service on general obligation debt authorized on or after July 1, 2005, and prohibited the Town from requesting a chargeback of property tax refunds issued by the Town. ***The Governor's partial veto deletes these provisions.***

[Act 19 Vetoed Sections: 315, 320, and 9144(12)]

ITEM D-26. ANNUAL TRANSFER OF LOCAL GOVERNMENT FUND BALANCE

Chg. to Enr. SB 70 GPR-REV -\$17,173,200
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As passed by the Legislature, Senate Bill 70 would create a segregated fund entitled the "Local Government Fund." Pursuant to 2023 Act 12, in 2024-25, the bill would have transferred 20% of state sales and use taxes to the local government fund. In 2025-26, and each year thereafter, Senate Bill 70 would have transferred an amount equal to the amount transferred to the local government fund in the prior year, as well as an amount equal to the percentage change in state sales and use taxes for the previous year compared to the preceding year, multiplied by the amounts available for distribution in the previous year in the county and municipal aid and supplemental county and municipal aid accounts in the local government fund. Senate Bill 70 would have also required that the unencumbered balance of the local government fund, exceeding 0.1% of the amount transferred to the local government fund in that year and not including any amounts transferred for innovation grants or innovation planning grants, be transferred to the general fund at the end of each fiscal year. This would have resulted in an estimated \$17,173,200 GPR-REV in 2024-25. ***The Governor's partial veto deletes the requirement that the unencumbered balance of the local government fund be transferred to the general fund at the end of each fiscal year.***

[Act 19 Vetoed Sections: 39 (as it relates to 16.5186(3))]

ITEM D-27. INNOVATION GRANTS AND INNOVATION PLANNING GRANTS APPROPRIATIONS

As passed by the Legislature, Senate Bill 70 would make a one-time transfer of \$300.0 million to the innovation account in the newly-created local government fund and \$3.0 million to the innovation planning account in the local government fund. 2023 Act 12 required the Department of Revenue (DOR) to promulgate rules for the administration of the innovation grants and innovation planning grants. At the end of the fourth fiscal year after DOR promulgates these rules, the unencumbered balance of the innovation account and the innovation planning account would lapse to the general fund. *The Governor's partial veto deletes the requirement that the unencumbered balances of the innovation account or the innovation planning account lapse to the general fund at the end of the fourth fiscal year after DOR has promulgated rules related to those programs.*

[Act 19 Vetoed Sections: 167 and 168]

ITEM D-28. MUNICIPAL SALES TAX APPROPRIATION

As passed by the Legislature, Senate Bill 70 would have required any unencumbered balance in DOR's newly-created PR-S appropriation for the administration of municipal sales and use taxes for the City of Milwaukee be transferred to the general fund at the end of each fiscal year. *The Governor's partial veto deletes this provision. Consequently, any the unencumbered balance would remain in the PR-S appropriation account.*

[Act 19 Vetoed Section: 156]

ITEM D-29. INCREASES IN MILEAGE AID PAYMENTS

As passed by the Legislature, Senate Bill 70 would have increased the general transportation aid program's mileage aid rate payment for municipalities by 2.0% annually, from its current level of \$2,734 per mile, to \$2,789 per mile for calendar year 2024, and to \$2,845 per mile for 2025, and thereafter, and would have deleted the statutory references to prior year mileage aid rate amounts for municipalities. *The Governor's partial veto deletes these provisions. Consequently, the current law statutory mileage aid rate payment of \$2,734 per mile for calendar year 2023, and thereafter, is retained.*

[Act 19 Vetoed Section: 377m (as it relates to s. 86.30(2)(a)3.)]

ITEM D-30. DIGNITARY PROTECTION UNIT

As passed by the Legislature, Senate Bill 70 would specify that the Department of Transportation (DOT) shall maintain a dignitary protection unit and may assign state traffic officers to safeguard Justices of the Supreme Court. *The Governor's partial veto deletes this provision.*

[Act 19 Vetoed Section: 387]

ITEM D-31. FREIGHT RAIL PRESERVATION PROGRAM

As passed by the Legislature, Senate Bill 70 would provide \$13,000,000 SEG in 2023-24 for the freight rail preservation program, and require DOT to conduct a cost-benefit analysis of the program during the 2023-25 biennium and provide a report of its findings to the Joint Committee on Finance no later than June 30, 2025. *The Governor's partial veto deletes the requirement for DOT to conduct a cost-benefit analysis of the freight rail preservation program during the 2023-25 biennium and provide a report to the Joint Committee on Finance.*

[Act 19 Vetoed Section: 9144(1)]

ITEM D-32. MISSISSIPPI RIVER PARKWAY COMMISSION ADMINISTRATIVE SUPPORT

As passed by the Legislature, Senate Bill 70 would provide 0.5 SEG position, and would require DOT to assign the equivalent of 0.1 SEG position from the duties of the DOT bicycle and pedestrian coordinator position to the Mississippi River Parkway Commission beginning in 2023-24 for the purpose of providing administrative support to the Commission. *The Governor's partial veto deletes the requirement for DOT to assign the equivalent of 0.1 SEG position to the Mississippi River Parkway Commission.*

[Act 19 Vetoed Section: 9144(11)]

ITEM D-33. FEE FOR IDENTIFICATION STICKERS FOR ELECTRIC VEHICLES

Chg. to Enr. SB 70	
SEG-REV	- \$19,000

As passed by the Legislature, Senate Bill 70 would provide \$10,000 SEG in 2023-24 and \$6,000 SEG in 2024-25 to the Division of Motor Vehicles general operations appropriation to issue identification stickers for electric and hybrid-electric vehicles. It would require that DOT issue a decal for each electric and hybrid-electric vehicle in the state that identifies the vehicle as electric, specify that the decals must be displayed on the front and rear registration plates of the vehicle, and establish a one-time registration fee of \$1 for issuance of the decals. Estimated segregated revenues from the \$1 sticker fee would be \$11,000 in 2023-24 and \$8,000 in 2024-25. *The Governor's partial veto deletes the one-time registration fee of \$1 for issuing identification stickers for electric and hybrid-electric vehicles and the estimated sticker revenues, but the funding authority would be retained.*

[Act 19 Vetoed Section: 460]

ITEM D-34. OPENING AVENUES TO REENTRY SUCCESS PROGRAM

As passed by the Legislature, Senate Bill 70 would have provided funding to expand the OARS program, specifying in non-statutory language that the increased funding would be provided only for the original OARS program (and not the OARS 2 program). *The Governor's partial veto removes the non-statutory language, leaving the increased funding available for the OARS and/or*

OARS 2 programs.

[Act 19 Vetoed Section: 9108(2)]

ITEM D-35. COMMUNITY REENTRY CENTERS

As passed by the Legislature, Senate Bill 70 would have provided \$4,000,000 GPR in 2023-24 to the Joint Committee on Finance's supplemental appropriation for the operation of reentry centers, as authorized under pending legislation 2023 Assembly Bill 183/Senate Bill 172, and would have created a new annual GPR appropriation for this purpose. ***The Governor's partial veto deletes reference to a section of proposed statutory language in pending legislation ("under s. 301.098"). Under Act 19, the appropriation for community reentry centers would still be created and \$4,000,000 GPR in 2023-24 would still remain in the Joint Committee on Finance's supplemental appropriation for release pending enactment of AB 183/SB 172.***

[Act 19 Vetoed Section: 100]

ITEM D-36. LAW ENFORCEMENT OVERTIME GRANTS

Chg. to Enr. SB 70
GPR-REV - \$190,800

As passed by the Legislature, Senate Bill 70 repealed the annual appropriation and statutory program language for beat patrol overtime grants. The appropriation was originally funded with a one-time transfer specified in 2017 Act 59, and had base funding of \$0. The appropriation had an unencumbered revenue balance of \$190,800. Enrolled Senate Bill 70 would have transferred the unencumbered revenue balance to the general fund from the beat patrol overtime grants appropriation. ***The Governor's partial veto deletes the repeal of the appropriation and the program. As a result, the appropriation (funded at \$0 annually) and the program are retained, and no transfer to the general fund would occur.***

[Act 19 Vetoed Sections: 123 and 423]

ITEM D-37. CONSOLIDATED COURT AUTOMATION PROGRAMS

Chg. to Enr. SB 70
PR - \$4,376,000

As passed by the Legislature, Senate Bill 70 would have re-estimated the CCAP appropriation expenditure authority by \$2,188,000 PR annually to reflect actual average expenditures in recent years. ***The Governor's partial veto removes the increased expenditure authority. The Governor's veto message indicates that the Governor "object[s] to a funding re-estimate of this size." The veto message further directs the Department of Administration to not allot these funds, but notes that expenditure authority may continue to be adjusted under current law procedures.***

[Act 19 Vetoed Section: 51 (as it relates to s. 20.680(2)(j))]

NATURAL RESOURCES

ITEM E-38. UNOBLIGATED STEWARDSHIP AUTHORITY

As passed by the Legislature, Senate Bill 70 would provide \$2,500,000 in unobligated bonding authority from the 2021-22 and 2022-23 fiscal years under the stewardship program for improvements to the Les Voigt State Fish Hatchery and the Brule State Fish Hatchery. *The Governor's partial veto deletes reference to specific facilities and funding levels, as well as the fiscal-year allotments from which unobligated authority would be drawn. Act 19 requires the Department of Natural Resources (DNR) to use any stewardship bonding authority that had lapsed from any year's annual allotments for the land acquisition, property development and local assistance, and recreational boating aids subprograms to fund projects that could include facility improvements and renovations, construction of new buildings, and drilling wells.*

[Act 19 Vetoed Section: 194]

ITEM E-39. ECHO LAKE DAM

As passed by the Legislature, Senate Bill 70 would have created a continuing appropriation and provided \$1,000,000 GPR in 2023-24 to the City of Burlington for the restoration of a dam on Echo Lake. *The Governor's partial veto deletes this provision.*

Chg. to Enr. SB 70	
GPR	- \$1,000,000

[Act 19 Vetoed Sections: 51 (as it relates to s. 20.370(4)(jc)) and 75]

ITEM E-40. DEPARTMENT OF NATURAL RESOURCES POSITION REALLOCATIONS

As passed by the Legislature, Senate Bill 70 would direct DNR to reallocate 3.0 positions and funding from existing vacancies within DNR to the all-terrain vehicle (ATV) and utility terrain vehicle (UTV) law enforcement appropriation and to report the reallocation to the Joint Committee on Finance for inclusion in the final appropriations schedule for the 2023-25 biennium. *The Governor's partial veto removes mention to the number of positions that must be reallocated and specific positions for ATV or UTV enforcement. Additionally, the partial veto deletes the requirement that DNR report position reallocations to the Joint Committee on Finance. As a result, Act 19 directs DNR to reallocate existing positions "to serve a conservation purpose" at the agency's discretion and to report any position reallocations for inclusion in the final appropriations schedule. The Governor's veto message indicates reporting will be made to DOA and to the Legislative Fiscal Bureau.*

[Act 19 Vetoed Section: 9132(1)]

ITEM E-41. PATTISON AND AMNICON FALLS STATE PARKS EARMARKS

As passed by the Legislature, Senate Bill 70 provided \$2,161,300 conservation SEG in 2023-24 as one-time funding for several development projects in Amnicon Falls and Pattison State Parks. *The Governor's partial veto deletes references to the specific properties and projects to be conducted. The funding of \$2,161,300 may be used for projects in state parks and recreation facilities identified by DNR.*

[Act 19 Vetoed Section: 9132(3)]

ITEM E-42. TRIBAL GAMING TRANSFER

As passed by the Legislature, Senate Bill 70 would increase the tribal gaming transfer to the fish and wildlife account of the SEG conservation fund by \$1 million annually, from \$3 million to \$4 million. *The Governor's partial veto deletes the additional \$1 million transfer.*

Chg. to Enr. SB 70
SEG-REV - \$2,000,000
GPR-Tribal \$2,000,000

[Act 19 Vetoed Section: 144]

ITEM E-43. STEVE CREEK DAM

As passed by the Legislature, Senate Bill 70 would provide \$750,000 GPR in 2023-24 for repairs to a dam on Steve Creek (Price County). *The Governor's partial veto eliminates an erroneous reference to Pierce County. The Governor's veto message indicates DNR will issue the grant to Price County, consistent with the intention of the Legislature.*

[Act 19 Vetoed Section: 76]

ITEM E-44. LAKE MALLALIEU DREDGING GRANT

As passed by the Legislature, Senate Bill 70 would provide \$2,000,000 GPR in 2023-24 to the Lake Mallalieu Lake Association for dredging Lake Mallalieu. *The Governor's partial veto deletes the word "dredging" to allow for the lake association to use funding for other costs that may be incurred by the project, such as additional studies or permitting requirements.*

[Act 19 Vetoed Sections: 51 (as it relates to s. 20.370(4)(jf)) and 78]

ITEM E-45. DIVISION ADMINISTRATOR POSITIONS AT THE DEPARTMENT OF NATURAL RESOURCES

As passed by the Legislature, Senate Bill 70 would have reduced DNR's number of authorized unclassified division administrator positions from 10 to 9, consistent with the bill's deletion of 1.0 vacant PR division administrator position. *The Governor's partial veto deletes the provision. The veto message indicates that authority for 10*

Chg. to Enr. SB 70	Positions
PR	1.00

unclassified division administrators under DNR be retained.

[Act 19 Vetoed Section: 430]

ITEM E-46. BOARD OF COMMISSIONERS OF PUBLIC LANDS DEPUTY DIRECTOR POSITION

Chg. to Enr. SB 70 Positions	
GPR	1.00

As passed by the Legislature, Senate Bill 70 deletes 1.8 vacant positions in the Board of Commissioners of Public Lands (BCPL), including 1.0 Deputy Commissioner and 0.8 accountant and \$148,400 GPR in associated funding annually. Additionally, the bill would delete statutory provisions related to the appointment of a Deputy Commissioner and the position's responsibilities. *The Governor's partial veto restores statutory references to the appointment and responsibilities of the Deputy Commissioner. The veto message indicates that the Deputy Commissioner position be retained.*

[Act 19 Vetoed Section: 196]

OTHER PROVISIONS

ITEM F-47. TRIBAL GRANTS SUNSET

As passed by the Legislature, Senate Bill 70 creates an appropriation within the Department of Administration to provide grants to American Indian tribes or bands, and would have repealed the appropriation on July 1, 2025. *The Governor's partial veto removes the repeal of this appropriation.*

[Act 12 Vetoed Sections: 142, 149, 9101(2), and 9401(1)]

ITEM F-48. LEGISLATIVE HUMAN RESOURCES OFFICE

As passed by the Legislature, Senate Bill 70 creates statutory language that codifies the Legislative Human Resources Office (LHRO) as a nonpartisan service agency and would have specified that LHRO has all the rights and privileges pertaining to human resources records as are enjoyed by executive branch agencies, including under current employment relations law governing closed records for the civil service and state law pertaining to public records. *The Governor's partial veto deletes the provision that would have specified that the Office has all the rights and privileges pertaining to human resources records enjoyed by executive branch agencies.*

[Act 19 Vetoed Section: 19]

ITEM F-49. WISCONSINEYE

As passed by the Legislature, Senate Bill 70: (a) creates a biennial GPR appropriation entitled the "Endowment Fund for Wisconsin Eye" under Miscellaneous Appropriations; (b) places \$10,000,000 GPR in 2023-24 in the Joint Committee on Finance's GPR supplemental appropriation for potential release to Wisconsin Eye; (c) specifies that money may be released if the Committee approves a request for funding made jointly by DOA and Wisconsin Eye; (d) specifies that DOA is prohibited from providing a grant to Wisconsin Eye unless, prior to June 1, 2025, Wisconsin Eye has raised for the endowment fund from nonstate funding sources total amounts that at least equal the amount of the payment, up to \$10,000,000; and (e) requires that (1) in perpetuity, if Wisconsin Eye ever ceases operations and divests assets, the state amount granted to Wisconsin Eye, up to \$10,000,000, would be returned to the state for deposit to the general fund and (2) as a condition of receiving any payment, Wisconsin Eye is prohibited from charging any fee for access to recorded content of public meetings. *With regard to the last requirement, the Governor's partial veto would delete the phrase "to recorded content of public meetings." As a result of the Governor's partial veto, as a condition of receiving any payment, Wisconsin Eye would be prohibited from charging any fee for access.*

[Act 19 Vetoed Section: 20]

ITEM F-50. PROMOTION OF THE U.S.S. WISCONSIN COLUMBIA-CLASS SUBMARINE

As passed by the Legislature, Senate Bill 70 would have authorized the Department of Veterans Affairs to provide a grant in 2023-24 of up to \$16,540 to a nonprofit organization whose sole purpose is to promote and support recognition of the Columbia-class submarine U.S.S. Wisconsin. *The Governor's partial veto deletes this provision.*

[Act 19 Vetoed Section: 9148(2)]

ITEM F-51. RESTORE AN APPROPRIATION FOR AGENCY OPERATIONS

As passed by the Legislature, Senate Bill 70 would have repealed a program revenue appropriation in the Office of the Commissioner of Insurance for general program operations of the Office, supported from revenue transfers from other agencies or from within the Office. *The Governor's partial deletes this provision, to retain this appropriation.*

[Act 19 Vetoed Section: 54]