



Executive Partial Veto of 2023 Senate Bill 70



© 2023 Wisconsin Legislative Reference Bureau
One East Main Street, Suite 200, Madison, Wisconsin 53703
<http://legis.wisconsin.gov/lrb> • 608-504-5801

This work is licensed under the Creative Commons Attribution 4.0 International License.
To view a copy of this license, visit <http://creativecommons.org/licenses/by/4.0/> or send a letter to
Creative Commons, PO Box 1866, Mountain View, CA 94042, USA.

CONTENTS

I. Introduction	1
II. The Veto Process	1
III. Legislative Action on the Passage of 2023 Senate Bill 70	5
IV. Text of the Governor’s Veto Message	5
V. Vetoed Items	23
A-1. Per Pupil Revenue Limit Adjustment	23
A-2. High Poverty Aid	23
A-3. Lakeland STAR Academy	25
A-4. Online Early Learning Pilot Sunset Date	25
A-5. Child Care Fund	26
A-6. REWARD Bonuses	27
B-7. Individual Income Tax Rate Reduction	28
B-8. Withholding Table Update	29
B-9. Fund of Funds Program	29
B-10. Diversity, Equity, and Inclusion Positions	30
B-11. Washington County Branch Campus Transition	31
B-12. Visit Milwaukee Earmark	31
B-13. Talent Attraction and Retention Initiatives	32
B-14. Vibrant Spaces Grant Program	33
C-15. Medicaid Coverage of Gender-Affirming Care	33
C-16. Housing Rehabilitation	34
C-17. Family Care Managed Care Organizations Report	35
C-18. Newborn Screening Program Card Fee	35
C-19. Study for a Master Plan for the Veterans Homes	36
C-20. Medical College of Wisconsin Psychiatry and Behavioral Health Residency Program Reporting Requirements	36
D-21. Grants for Local Projects	37
D-22. Type 1 Juvenile Correctional Facility and the National Guard Challenge Academy	38
D-23. State Capitol Fiber and Cable Upgrades	38
D-24. Lac Courte Oreilles Decision – Aid Payments	39

D-25. Town of Sanborn Levy Limits	39
D-26. Annual Transfer of Local Government Fund Balance	40
D-27. Innovation Grants and Innovation Planning Grants Appropriations	41
D-28. Municipal Sales Tax Appropriation.	41
D-29. Increases in Mileage Aid Payments.	42
D-30. Dignitary Protection Unit	43
D-31. Freight Rail Preservation Program.	43
D-32. Mississippi River Parkway Commission Administrative Support	44
D-33. Fee for Identification Stickers for Electric Vehicles	44
D-34. Opening Avenues to Reentry Success Program	45
D-35. Community Reentry Centers	45
D-36. Law Enforcement Overtime Grants.	46
D-37. Consolidated Court Automation Program	46
E-38. Unobligated Stewardship Authority	47
E-39. Echo Lake Dam.	47
E-40. Department of Natural Resources Position Reallocations.	48
E-41. Pattison and Amnicon Falls State Parks Earmarks	48
E-42. Tribal Gaming Transfer	49
E-43. Steve Creek Dam	49
E-44. Lake Mallalieu Dredging Grant.	50
E-45. Division Administrator Positions at the Department of Natural Resources.	50
E-46. Board of Commissioners of Public Lands Deputy Director Position	51
F-47. Tribal Grants Sunset	51
F-48. Legislative Human Resources Office.	52
F-49. WisconsinEye	52
F-50. Promotion of the U.S.S. Wisconsin Columbia-Class Submarine	53
F-51. Restore an Appropriation for Agency Operations	53

EXECUTIVE PARTIAL VETO OF 2023 SENATE BILL 70

Executive Budget Bill Passed by the 2023 Wisconsin Legislature

(2023 Wisconsin Act 19)

I. INTRODUCTION

This report contains the veto message of Governor Tony Evers for the partial veto of 2023 Senate Bill 70 (2023 Wisconsin Act 19), the executive budget bill passed by the 2023 Wisconsin Legislature. A subsequent edition of *LRB Reports* will cover the messages for other gubernatorial vetoes or partial vetoes relating to 2023 legislation.

Format

This report provides the following information:

1. Background material on the veto process, including legislative review of vetoes, use of the partial veto, and judicial interpretation of the governor's veto power.
2. The legislative action for 2023 Senate Bill 70, including the vote for final passage in each house and the page number of the loose-leaf journals in each house referring to the vote. ("S.J." stands for Senate Journal; "A.J." stands for Assembly Journal.)
3. The text of the governor's veto message.
4. The text of each segment of the governor's veto message keyed to the corresponding partially vetoed sections of 2023 Senate Bill 70. The vetoed material is indicated by gray shading, and each write-down—a reduced appropriation amount written in by the governor—is indicated by reverse shading of white numerals on a black background.

II. THE VETO PROCESS

History

Wisconsin governors have had the constitutional power to veto bills in their entirety since the ratification of the Wisconsin Constitution in 1848. In November 1930, the people of Wisconsin approved a constitutional amendment granting the governor the additional power to veto appropriation bills in part. This new partial veto authority was used immediately beginning with the 1931 session (see following table).

PARTIAL VETOES OF EXECUTIVE BUDGET BILLS 1931–2023¹

Session	Bill	Law	Number of Vetoes ²	Senate/Assembly Journal Page ³	Session	Bill	Law	Number of Vetoes ²	Senate/Assembly Journal Page ³
1931	AB–107	Ch. 67	12	A.J. p. 1134	1985	AB–85	Act 29	78	A.J. p. 293
1933	SB–64	Ch. 140	12	S.J. p. 1195		SB–1 ⁹	Act 120	1	S.J. p. 585
1935	AB–17	Ch. 535	0	—	1987	SB–100	Act 27	290	S.J. p. 277
1937	AB–74	Ch. 181	0	—		AB–850 ¹⁰	Act 399	118	A.J. p. 1052
1939	AB–194	Ch. 142	1	A.J. p. 1462	1989	SB–31	Act 31	208	S.J. p. 325
1941	AB–35	Ch. 49	1	A.J. p. 770		SB–542 ⁸	Act 336	73	S.J. p. 957
1943	AB–61	Ch. 132	0	—	1991	AB–91	Act 39	457	A.J. p. 404
1945	AB–1	Ch. 293	1	A.J. p. 1383		SB–483 ⁸	Act 269	161	S.J. p. 896
1947	AB–198	Ch. 332	1	A.J. p. 1653	1993	SB–44	Act 16	78	S.J. p. 362
1949	AB–24	Ch. 360	0	—		AB–1126 ⁸	Act 437	11	A.J. p. 960
1951	AB–174	Ch. 319	0	—	1995	AB–150	Act 27	112	A.J. p. 383
1953	AB–139	Ch. 251	2	A.J. p. 1419		AB–557 ¹¹	Act 113	11	A.J. p. 689
1955	AB–73	Ch. 204	0	—		SB–565 ⁸	Act 216	3	S.J. p. 770
1957	AB–77	Ch. 259	2	A.J. p. 2088	1997	AB–100	Act 27	152	A.J. p. 322
1959	AB–106	Ch. 135	0	—		AB–768 ⁸	Act 237	22	A.J. p. 927
1961	AB–111	Ch. 191	2	A.J. p. 1461	1999	AB–133	Act 9	255	A.J. p. 405
1963	SB–615	Ch. 224	0	—	2001	SB–55	Act 16	315	S.J. p. 282
1965	AB–903	Ch. 163	1	A.J. p. 1902		AB–1 ¹²	Act 109	72	A.J. p. 894
1967	AB–99	Ch. 43	0	—	2003	SB–1 ¹³	Act 1	0	—
1969	SB–95	Ch. 154	27	A.J. p. 2615		SB–44	Act 33	131	S.J. p. 277
1971	SB–805	Ch. 125	12 ⁴	S.J. p. 2162	2005	AB–100	Act 25	139	A.J. p. 373
	AB–1610 ⁵	Ch. 215	8	A.J. p. 4529	2007	SB–40	Act 20	33	S.J. p. 373
1973	AB–300	Ch. 90	38	A.J. p. 2409		AB–1 ¹⁴	Act 226	8	A.J. p. 792
	AB–1 ⁶	Ch. 333	19	A.J. p. 310	2009	AB–75	Act 28	81	A.J. p. 297
1975	AB–222	Ch. 39	42	A.J. p. 1521		SB–62 ⁸	Act 2	0	—
	SB–755 ⁵	Ch. 224	31	S.J. p. 2257	2011	AB–11 ¹⁵	Act 10	0	—
1977	SB–77	Ch. 29	67	S.J. p. 853		SB–12 ¹⁵	Act 13	0	—
	AB–1220 ⁵	Ch. 418	44	A.J. p. 4345		AB–148 ⁸	Act 27	0	—
1979	SB–79	Ch. 34	45	S.J. p. 617		AB–40	Act 32	50	A.J. p. 413
	AB–1180 ⁵	Ch. 221	58	A.J. p. 3420	2013	AB–40	Act 20	57	A.J. p. 48
1981	AB–66	Ch. 20	121	A.J. p. 895	2015	SB–21	Act 55	104	S.J. p. 329
	SB–1 ⁷	Ch. 93	10	S.J. p. 1196	2017	AB–64	Act 59	98	A.J. p. 421
	SB–783 ⁸	Ch. 317	23	S.J. p. 2085	2019	AB–56	Act 9	78	A.J. p. 216
1983	SB–83	Act 27	70	S.J. p. 276	2021	AB–68	Act 58	50	A.J. p. 396
	SB–663 ⁸	Act 212	0	—	2023	SB–70	Act 19	51	S.J. p. 347

¹A constitutional amendment giving the governor authority to veto appropriation bills in part was ratified by the electorate in November 1930.

²As listed in the respective governor’s veto message.

³Beginning journal page reference. A.J.—Assembly Journal; S.J.—Senate Journal.

⁴Numerous “technical changes” made by the governor are counted as one partial veto.

⁵Budget review bills.

⁶Budget review bill, April 1974 Special Session.

⁷Budget adjustment bill, November 1981 Special Session.

⁸Budget adjustment bill.

⁹Budget adjustment bill, January 1986 Special Session.

¹⁰1988 annual budget bill.

¹¹1995–97 transportation budget bill.

¹²Budget adjustment bill, January 2002 Special Session.

¹³Budget adjustment bill, January 2003 Special Session.

¹⁴Budget adjustment bill, March 2008 Special Session.

¹⁵Budget adjustment bill, January 2011 Special Session.

Source: Senate and Assembly Journals.

Article V, section 10, of the Wisconsin Constitution grants the veto power to the governor and reads as follows:

WISCONSIN CONSTITUTION [Article V] Governor to approve or veto bills; proceedings on veto. Section 10. (1) (a) Every bill which shall have passed the legislature shall, before it becomes a law, be presented to the governor.

(b) If the governor approves and signs the bill, the bill shall become law. Appropriation bills may be approved in whole or in part by the governor, and the part approved shall become law.

(c) In approving an appropriation bill in part, the governor may not create a new word by rejecting individual letters in the words of the enrolled bill, and may not create a new sentence by combining parts of 2 or more sentences of the enrolled bill.

(2) (a) If the governor rejects the bill, the governor shall return the bill, together with the objections in writing, to the house in which the bill originated. The house of origin shall enter the objections at large upon the journal and proceed to reconsider the bill. If, after such reconsideration, two-thirds of the members present agree to pass the bill notwithstanding the objections of the governor, it shall be sent, together with the objections, to the other house, by which it shall likewise be reconsidered, and if approved by two-thirds of the members present it shall become law.

(b) 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 house of origin shall enter the objections at large upon the journal and proceed to reconsider the rejected part of the appropriation bill. If, after such reconsideration, two-thirds of the members present agree to approve the rejected part notwithstanding the objections of the governor, it shall be sent, together with the objections, to the other house, by which it shall likewise be reconsidered, and if approved by two-thirds of the members present the rejected part shall become law.

(c) In all such cases the votes of both houses shall be determined by ayes and noes, and the names of the members voting for or against passage of the bill or the rejected part of the bill notwithstanding the objections of the governor shall be entered on the journal of each house respectively.

(3) Any bill not returned by the governor within 6 days (Sundays excepted) after it shall have been presented to the governor shall be law unless the legislature, by final adjournment, prevents the bill's return, in which case it shall not be law.

Wisconsin Supreme Court Cases

The constitutional provision granting the governor the authority to veto bills in part has come under the scrutiny of the Wisconsin Supreme Court in nine cases: *State ex rel. Wisconsin Telephone Co. v. Henry*, 218 Wis. 302 (1935); *State ex rel. Finnegan v. Dammann*, 220 Wis. 143 (1936); *State ex rel. Martin v. Zimmerman*, 233 Wis. 442 (1940); *State ex rel. Sundby v. Adamany*, 71 Wis. 2d 118 (1976); *State ex rel. Kleczka v. Conta*, 82 Wis. 2d 679 (1978); *State ex rel. Wisconsin Senate v. Thompson*, 144 Wis. 2d 429 (1988); *Citizens Utility Board v. Klauser*, 194 Wis. 2d 484 (1995); *Risser v. Klauser*, 207 Wis. 2d 558 (1997); and *Bartlett v. Evers*, 393 Wis. 2d 172 (2020). With two exceptions, the opinions have broadened the power of the governor to veto parts of appropriation bills.

In the *Henry* case, the court held that the authority granted to the governor in the Wisconsin Constitution to veto a "part" is broader than the authority of other governors to veto an "item"; that the governor could disapprove nonappropriation parts of an appropriation bill; that the parts approved after the veto must constitute a complete, entire, and workable law; and that the governor's power to disapprove separable pieces of an appropriation bill is as broad as the legislature's power to join the pieces into a single bill.

The *Finnegan* case held that, in order for the governor to exercise the partial veto, the body of the bill itself must contain an appropriation of public money not merely have an indirect bearing upon an appropriation; and that an increase in revenues that has the effect of increasing expenditures under an existing appropriation does not create an appropriation.

The *Martin* case stated that the purpose of the partial veto was to prevent, if possible, the adoption of omnibus appropriation bills "with riders of objectionable legislation attached" which would "force the governor to veto the entire bill and thus stop the wheels of government or approve the obnoxious act." The court held in *Martin* that 1) the governor may effect policy changes through the partial veto and 2) the veto is sustainable if the approved parts, taken as a whole, still provide a complete, workable law.

In the *Sundby* case, the court recognized that the governor may effect an affirmative change as well as negate legislative action through the veto, and it reiterated that the veto may be applied to nonappropriation language.

In the *Kleczka* case, the court rejected any implication in the earlier cases that a legislative proviso or condition on an appropriation was inseverable from the appropriation and thus could be vetoed only if the appropriation itself was vetoed.

In the *Thompson* case, decided prior to the 1990 constitutional amendment (which prohibited the governor from using his partial veto authority to create new words by rejecting individual letters), the court reiterated that the governor’s authority to veto appropriation bills in part is very broad, that the governor may exercise the partial veto authority on conditions or provisos attached to appropriations, that a partial veto may be affirmative as well as negative in effect, and that the material remaining after the veto must be a complete and workable law. The court let stand vetoes that created new words and sentences by striking words, letters and punctuation. It held that the governor may reduce dollar amounts by striking individual digits and that any text remaining after the governor’s use of the partial veto must be “germane to the topic or subject matter of the vetoed provisions” contained in the enrolled bill.

In *Citizens Utility Board*, the court held that the governor may exercise the partial veto power by striking a numerical sum in an appropriation and writing in a different smaller number as the appropriated sum.

The *Risser* court held that the governor’s write-down may be exercised only on a monetary figure which is an appropriation amount.

In a per curiam decision, the *Bartlett* court found that three of four vetoes to 2019 Wisconsin Act 9, the 2019–21 budget bill, at issue were unconstitutional: the first changed a program to award grants to replace or modernize school buses into a program to provide grants for alternative fuels; the second changed a program to award \$90,000,000 in grants specifically for local road improvements into a program to award \$75,000,000 generally for local grants; and the third expanded a vapor products tax. The *Bartlett* court upheld the fourth veto at issue, which increased the amount of vehicle registration fees over that provided in Act 9. Importantly, the justices differed on the reasons for finding the partial vetoes unconstitutional. See Richard A. Champagne, Staci Duros, and Madeline Kasper, “The Wisconsin Governor’s Partial Veto after *Bartlett v. Evers*,” *Reading the Constitution* 5, no. 3 (Madison, WI: Legislative Reference Bureau, 2020).

Federal Cases

The federal courts have also addressed the Wisconsin veto process. Following *State ex rel. Wisconsin Senate v. Thompson*, 144 Wis. 2d 429 (1988), the governor’s veto power was upheld by both the United States District Court for the Western District of Wisconsin (No. 90 C 215) and the United States District Court of Appeals for the Seventh Circuit in *Fred A. Risser and David M. Travis v. Tommy G. Thompson*, 930 F.2d 549 (7th Cir. 1991). The U.S. Court of Appeals concluded that “Wisconsin’s partial veto provision as interpreted by the state’s highest court is a rational measure for altering the balance of power between the branches. That it is unusual, even quirky, does not make it unconstitutional. It violates no federal constitutional provision because the federal Constitution does not fix the balance of power between branches of state government.” In October 1991, the U.S. Supreme Court refused to review the decision of the U.S. Court of Appeals. *Risser v. Thompson*, 502 U.S. 860 (1991).

Constitutional Amendment Ratified in 2008

In 2008, the voters ratified an amendment to article V, section 10, of the Wisconsin Constitution, the first modification to the governor’s partial veto authority since 1990. The amendment prohibits the governor from creating a new sentence by combining parts of two or more sentences in an appropriation bill.

Legislative Action and Publication of Law Supplements

Since 1973 each act vetoed in part has originally been published to show the parts approved by the governor as clear text and the parts objected to by the governor as overlaid text and beginning in 1995 as shaded text (**this is shaded text**). If the legislature overrides a partial veto, only the new law text resulting from the veto override is published. The new text is identified as a supplement to the act originally published. An explanation is published with each supplement, and it would read as follows for a 2023 act:

2023 *BILL* was approved by the governor in part and has become 2023 WISCONSIN ACT *NUMBER*. The parts objected to by the governor (partial veto) were reviewed by the senate on *DATE* and by the assembly on *DATE*. This supplement to 2023 WISCONSIN ACT *NUMBER* contains those parts of that act which had been vetoed by the governor but which have become law as the result of their approval, by two-thirds of the members of each house, notwithstanding the objections of the governor.

The supplement identifies the changes in 2023 WISCONSIN ACT *NUMBER* as follows:

1. LAW IN EXISTENCE ON *DATE*. All text of statute law or session law which was in effect on the day preceding legislative action on the vetoes contained in 2023 *BILL*, and which is shown in this supplement as part of a SECTION of 2023 WISCONSIN ACT *NUMBER*, in which a veto override occurred, is shown as plain text.

2. **PREEXISTING LAW DELETED BY VETO OVERRIDE.** In some instances, the legislature, in passing 2023 *BILL*, had proposed to delete certain words contained in existing law. These deletions could not take effect with the publication of 2023 WISCONSIN ACT *NUMBER*, as the result of a veto by the governor, but they take effect now because the veto was overridden by legislative action. Such text is shown as shaded text.

3. **NEW TEXT CREATED BY VETO OVERRIDE.** All text that comes into being for the first time as the result of the veto override is shown in italic type.

III. LEGISLATIVE ACTION ON THE PASSAGE OF 2023 SENATE BILL 70

2023 Wisconsin Act 19 (Senate Bill 70): State finances and appropriations, constituting the executive budget act of the 2023 legislature

On June 28, 2023, the senate adopted Senate Substitute Amendment 2 (as amended by Senate Amendment 13) to Senate Bill 70 on a voice vote, S.J. 6/28/23, p. 329, and passed Senate Bill 70, as amended, by a vote of 20 to 13, S.J. 6/28/23, p. 330.

On June 29, 2023, the assembly concurred in Senate Bill 70, as amended, by a vote of 63 to 34, A.J. 6/29/23, p. 229.

On July 5, 2023, the governor approved in part and vetoed in part Senate Bill 70, and the part approved became 2023 Wisconsin Act 19, S.J. 7/5/23, p. 347. The date of enactment is July 5, 2023; the date of publication is July 6, 2023; and, as provided in section 991.11 of the Wisconsin Statutes, the effective date of all provisions of the act is July 7, 2023, except those provisions for which the act expressly provides a different date.

IV. TEXT OF THE GOVERNOR'S VETO MESSAGE

July 5, 2023

To the Honorable Members of the Senate:

I have approved **Senate Bill 70** as 2023 Wisconsin Act 19 and deposited it in the Office of the Secretary of State.

During my first term as Governor, I proudly signed two biennial budgets that made generational investments in key areas that had long been neglected while using my broad, constitutional veto authority to improve the budgets sent to me by Republicans in the Legislature. We have accomplished a great deal over the last four-plus years, making down payments and providing historic increases in support for kids, families, and communities across our state. We have invested in our shared priorities, including schools and education; delivering tax relief for working families; increasing access to affordable healthcare; fixing our roads and bridges; supporting our small businesses, veterans, farmers, and agricultural industries; expanding high-speed internet; addressing climate change and protecting our natural resources; and bolstering our workforce to maintain our economic momentum. As I take action on the first biennial budget of my second term, I am proud to build upon this important work today.

In Wisconsin's 175-year statehood, we have never begun a biennial budget process in a better fiscal position. Since I have been Governor, after 30 years of enduring Accepted Accounting Principles (GAAP) deficits, we have had three consecutive fiscal years with a positive GAAP balance and ended fiscal year 2021-22 with a record—setting \$4.64 billion balance. We attained—and have maintained—our state's first underlying AAA bond rating from a rating agency in decades. We have paid down existing debt; we have reduced our reliance on bonding by nearly \$400 million annually; we reduced our total long-term debt obligations by \$365 million in fiscal year 2021-22 alone compared to the prior year. Finally, we have aggressively refunded our existing debt to achieve overall present value savings of over \$465 million.

We have had the lowest unemployment rate in state history, and we have had the highest number of people employed ever in our state's history. Our Budget Stabilization ("rainy day") Fund is at the highest level ever—a record—setting \$1.8

billion, which is more than five times larger than it was when I took office. And, yes, we began this biennial budget process with the largest surplus in state history.

We have gotten to work these last four years making smart, strategic investments—and our economy shows it. So, we began this biennial budget process with an historic opportunity, and with it, historic responsibility—not to be careless or reckless, but to save where we can and stay well within our means while still investing in needs that have long been neglected to protect the future we are working hard to build together.

In many ways, Republicans in the Legislature have failed to meet this historic moment, sending my budget back to my desk absent critical investments in key areas that they know—and publicly acknowledge—are essential to the success of our state, all while providing no real justification, substantive debate, or any meaningful alternative. That decision is, to put it simply, an abdication of duty.

State funding for high-speed broadband. Affordable and accessible child care. Substantial categorical aid increases for our schools. Fully funded universal school breakfasts and lunches. Investing in our University of Wisconsin and Wisconsin Technical College Systems. Targeted tax relief for caregivers, parents, seniors, and veterans and their spouses. BadgerCare expansion. Expanded paid family leave. Legalizing and taxing marijuana much like alcohol. Investments in community-driven solutions to our workforce challenges. These aren't controversial concepts; my budgets have always been about pragmatism and solutions, not wish lists or politics, from the beginning.

I understand that, in light of these short-sighted decisions, there are those who would have me veto this budget in its entirety—to send the Legislature back to the drawing board to start from scratch. Vetoing this budget in full would mean abandoning priorities and ideas that I have spent four years advocating for; it would mean leaving schools and communities in the lurch after rightfully securing historic increases for the first time in years; it would mean forgoing the first real and substantive Republican effort to address PFAS after years of inaction; it would mean forfeiting the one of the largest investments in workforce housing in state history; it would mean deserting our justice system and state workforces, our tourism industries, our farmers and producers, and our veterans, among others.

While Republicans in the Legislature might be perfectly comfortable abdicating the duty we share with the historic opportunity and responsibility before us in pursuit of political favor and partisan praise, I am not.

My allegiance has been and always will be to the people of this state—Wisconsinites to whom I have pledged to always try do the right thing and to make difficult decisions when it matters most. That pledge and my obligation as Governor are why I am enacting this budget with substantial improvements today.

In addition to the critical efforts to expand access to affordable housing statewide, address PFAS in our water, and make historic investments in communities across our state, I am also pleased this budget provides substantial and well-deserved increases in compensation for correctional officers, youth counselors, psychiatric care technicians, assistant district attorneys, and public defenders; uses our surplus funds to support our Capital Budget to reduce the need to authorize new bonding and future debt service costs; provides sizeable investments in tourism marketing and advertising initiatives; and includes the resources necessary to continue our work fixing our roads and making sure our infrastructure is built for a workforce and economy of the 21st century.

But even as I am glad the Legislature joined me in making critical investments in several key areas, the fact remains that this budget, while now improved through strategic vetoes, remains imperfect and incomplete.

Of urgent concern to me as Governor is that while this budget makes some critical investments to help support some portions of our state's workforce, Republicans returned this budget to me without critical components of my comprehensive plan to address the workforce challenges that have already plagued our state for generations and will continue to without further action.

The Legislature must make the substantial investments necessary to stabilize our state's child care industry and ensure child care is affordable and accessible so we can keep parents in our workforce. Failing to do so will cause calamitous consequences for employers, our workforce, and our state's economy. And, yes, that means the Legislature should also expand paid family leave; invest state resources in high-speed internet; provide targeted support for new, innovative, and high-need areas and industries across our workforce; and make substantial investments in education at every level, including our higher education institutions. These efforts, among other key provisions I included in my proposed biennial budget, are essential for maintaining our economic momentum and retaining and recruiting talented workers across our state.

So, today, I am giving the Legislature a second chance. I am using my broad, constitutional veto authority to ensure ample state resources are readily available for the Legislature to complete their work on this budget—to do the right thing, to

rise to meet this moment of historic opportunity and responsibility, and to focus on passing real solutions for the urgent challenges facing our state.

The following is an abbreviated summary of items in this budget, which includes my vetoes ensuring state resources necessary remain readily available for the Legislature to finish its work on this biennial budget in the months ahead:

INVESTING IN WHAT'S BEST FOR KIDS

DEPARTMENT OF PUBLIC INSTRUCTION

Building on our historic progress in fully funding our public schools, this budget and 2023 Wisconsin Act 11 provide an overall increase of nearly \$1.2 billion in spendable authority for public school districts, including state categorical aids. This increase will be more than ten times larger than what the increase in spendable authority was for public school districts in the 2021–23 biennium.

While this is progress compared to the last biennium, this budget is well short of my proposed level of spending for our schools. We must continue to work to prioritize school funding during this biennium and into the future. This budget is an important step toward meeting our ultimate goals for our schools and our kids.

- The 2023–25 biennial budget increases the level of state support from 67.8 percent in fiscal year 2022–23 to an estimated 68.8 percent in fiscal year 2023–24 and 69.4 percent in fiscal year 2024–25. These will be the highest levels of state support for school districts since the calculation was initiated in fiscal year 1996–97 under the state's former "two-thirds" funding goal.
- This historic investment is generated by a \$325 per pupil increase on revenue limits in each fiscal year, in addition to an increase in the low revenue ceiling from \$10,000 to \$11,000 per pupil in the first year of the biennium. This is the largest increase in statewide revenue limit authority since revenue limits were first imposed on K–12 schools in 1993–94, and it is permanent and base-building.
- Through my veto, in future biennia and effectively in perpetuity, school districts will have continued, additive per pupil revenue adjustments of \$325 every year, sustaining school district spending for years to come. This veto provides school districts with a level of budgeting certainty that they have not experienced since the statutory indexing mechanism for the adjustments was deleted in 2009–10.
- These record-high per pupil revenue limit increases also have the potential to take the burden off community members when it comes to school funding, as it reduces the need for districts to seek operating referenda.
- Estimates show more than half of the state's 421 school districts would be able to use the low revenue ceiling increase in fiscal year 2024–25, meaning that countless students across the state will be able to attend schools that are better able to ensure that they have the staff, facilities, and resources they need to succeed.
- Every kid has the right to a quality education, regardless of their ability, yet Wisconsin, like many other states across the nation, has faced a special education staffing crisis. This budget:
 - Provides \$97 million GPR over the biennium to achieve a special education reimbursement rate of 33.3 percent each year, which is the highest reimbursement rate our state has seen in over 20 years; and
 - Invests \$4.6 million GPR over the biennium for high-cost special education aid, increasing the reimbursement rate of these programs from its current 39.5 percent to 45 percent in 2023–24 and 50 percent in 2024–25. This aid helps school districts pay a portion of their eligible special education costs for pupils with specific and elevated educational needs.
- Wisconsin's strength lies in its diversity, which is why this budget provides \$3 million GPR over the biennium for bilingual-bicultural aid. This will be the largest biennial increase in bilingual-bicultural aid in at least 30 years, ensuring that English language learners are properly supported and receive an education that addresses their specific language needs.
- Wisconsin's students can't succeed in the classroom if they can't get to school, which is why this budget provides \$5.9 million GPR over the biennium to increase the reimbursement rate for high-cost transportation aid to 75 percent in each year and increases the state reimbursement rate to districts transporting students 12 miles to and from school from \$375 to \$400, beginning in fiscal year 2023–24. These investments will provide better access to school transportation to students in rural and isolated areas.
- I have been working to address literacy issues since long before being elected Governor, and improving reading outcomes remains a top priority for me. This budget makes a significant investment in improving our kids' reading skills by providing \$50 million GPR to fund a new literacy initiative.

- Earlier this year, I declared 2023 the Year of Mental Health in Wisconsin because I know our kids can only achieve their full and best potential when they can bring their full and best selves to the classroom. To address the mental health crisis facing our kids, this budget provides \$30 million GPR over the biennium to continue funding for school-based mental health modeled on my “Get Kids Ahead” initiative, helping schools provide needed mental health services to their pupils through community partnerships.
- The budget increases state funding by \$1.2 million GPR over the biennium to fully fund the state’s sparsity aid program for eligible districts in both fiscal year 2023–24 and fiscal year 2024–25.
- The budget increases state funding by \$14 million SEG over the biennium for school library aids.

DEPARTMENT OF CHILDREN AND FAMILIES

Doing what is best for our kids includes working to ensure kids and families have access to quality, affordable child care and every kid can grow up in a safe, nurturing home. The 2023–25 biennial budget makes critical investments to support the Department of Children and Families in achieving these goals.

- The Wisconsin Shares program has provided countless Wisconsin families access to quality child care, and this budget allocates over \$53 million in Temporary Assistance for Needy Families funds (TANF) in fiscal year 2023–24 and \$71.2 million TANF in fiscal year 2024–25. This funding will ensure the program meets the federal child care funding requirements, in addition to waiving copays for families under 100 percent of the federal poverty level.
- Wisconsin families deserve quality care for their kids, which is why this budget invests \$30 million TANF over the biennium into the state’s YoungStar program so that child care providers have the resources to keep their doors open and keep improving their quality of care.
- As a result of a partial veto, this budget provides \$15 million in fiscal year 2023–24 at the Wisconsin Economic Development Corporation that can be used for grants to child care providers.
- The budget provides \$875,000 TANF over the biennium for Tribal child care contracts in order to support recruitment, retention, and expansion of child care providers in Tribal areas.
- The Wisconsin Early Education Shared Services Network (WEESSN) has created cross-sector partnerships that strengthen early care and education programs throughout the state. This budget allocates \$2.5 million TANF in fiscal year 2024–25 to support the development and expansion of WEESSN and the work it does to provide free administrative services to regulated child care programs across the state.
- Social emotional learning (SEL) plays a critical role in a child’s development, which is why this budget invests \$535,000 TANF annually for SEL training and technical assistance to child care providers with the goal of reducing instances of kids being removed from daycare for behavioral issues.
- This budget, as impacted by a partial veto, provides an additional \$5 million TANF in fiscal year 2024–25 for the TEACH and REWARD programs to ensure we can maximize funding for the approaches that will best develop and retain early childhood educators.
- This budget provides \$1.3 million TANF annually to increase funding for child care resource and referral services, which extend a vital lifeline to countless families across the state.
- This budget invests more than \$1.4 million TANF over the biennium to move the child care licensing application process online, making the licensing process more efficient and helping more providers open their doors.
- This budget provides an increase of \$5 million TANF in fiscal year 2023–24 to Boys and Girls Clubs so that they may continue to improve the social, academic, and employment skills of kids in our state.
- This budget provides additional funding to increase Caretaker Supplement benefit payments to \$275 for the first child and \$165 for each additional child. This adjustment will take effect July 1, 2023.
- This budget increases funding to child support agencies by \$5.9 million all funds in fiscal year 2023–24 and \$14.7 million all funds in fiscal year 2024–25 to allow the agencies to improve their systems of collecting delinquent child support.
- This budget provides more than \$22 million all funds in fiscal year 2024–25 to continue the Child Support Modernization IT project, which aims to implement a flexible, updated, and better supported child support system so that Wisconsin can continue meeting federal performance standards and more quickly and easily accommodate changes in the child support landscape.

- This budget increases foster care age-based rates by 5 percent.
- Kinship care is an integral part of the state's child welfare system that helps maintain familial relationships when possible. To ensure this kind of care remains possible, this budget provides \$277,400 TANF in fiscal year 2023–24 and \$4.2 million TANF in fiscal year 2024–25 to re-estimate kinship care costs and increase payment rates from \$300 per month to \$375.
 - Further, this budget provides \$8,600 all funds in fiscal year 2023–24 and \$17,100 all funds in fiscal year 2024–25 to increase child-specific foster care payments from \$300 per month to \$375 per month.
- The Wisconsin Statewide Automated Child Welfare Information System (eWiSACWIS) is integral to the state's child welfare system, which is why this budget allocates more than \$2.6 million all funds in each fiscal year to make necessary improvements to the system.
- This budget allocates nearly \$1.2 million FED in each year of the biennium to develop a youth justice data and reporting system.
- The Department of Children and Families received a one-time investment in the 2021–23 biennial budget to conduct trainings for congregate care providers. This budget continues to fund this training by providing the agency with \$200,000 all funds in each fiscal year.
- Ensuring the continued integrity and protection of child welfare and child care data is a priority for the state, which is why this budget allocates nearly \$1.2 million all funds in each fiscal year to support the Department of Children and Families' critical cybersecurity efforts.
- This budget provides \$2 million FED in each year to the Department of Children and Families to distribute to Children's Wisconsin for a statewide, online parenting support program, namely the Positive Parenting Program (Triple P).
- This budget also provides \$500,000 GPR in each fiscal year to increase grants made by the Child Abuse and Neglect Prevention Board to support child well-being, including through the Positive Parenting Program (Triple P).
- This budget provides \$500,000 GPR in each fiscal year to increase grants made by the Child Abuse and Neglect Prevention Board to support family resource centers that serve families across the state.

STRENGTHENING OUR ECONOMY & FUTURE WORKFORCE

TAXES AND ECONOMIC DEVELOPMENT

Over the course of my first term, I have been proud of our efforts to support our workforce and deliver tax relief to working families, including enacting one of the largest tax cuts in state history, to deliver \$1.4 billion annually to taxpayers. This budget builds on this important work.

- This budget provides additional tax relief to working families by reducing the individual income tax rates for the bottom two income tax brackets to provide \$175 million of individual income tax reductions over the 2023–25 biennium. By cutting the bottom two tax rates further, this budget continues responsible individual income tax reductions, which now total nearly \$1.5 billion annually since 2019.
- To spur additional investment in this state, the state is increasing the refundable share of the research credit from 15 percent under current law to 25 percent beginning in tax year 2024. This increase will provide an incentive for critical research and development spending by Wisconsin businesses that will improve their competitiveness and help develop new products.
- We must continue to attract big events to Wisconsin. Recent successes include hosting the 2020 Democratic National Convention, the 2021 Ryder Cup, the 2024 Republican National Convention, and the 2025 NFL Draft. To keep this momentum, Wisconsin is investing \$10 million for the creation of an event and opportunity promotion fund administered by the Wisconsin Economic Development Corporation to attract large scale events.
- This budget fosters entrepreneurship by investing \$25 million in the Badger Fund of Funds program overseen by the Department of Administration. This significant investment is aimed at continuing to further develop Wisconsin's start-up business ecosystem. Improving Wisconsin's entrepreneurial environment is vital to the state's economic success, especially in high-growth industries in medical and informational technologies. As a result of my partial veto, the additional \$25 million provided by this budget will be evergreen, allowing these new funds to continue to be invested in our state's entrepreneurs.
- Wisconsin is continuing to build on our successes in attracting and investing in our businesses through a provision in this budget incentivizing business investment by providing an income exclusion on commercial lending by excluding interest earned on commercial loans under \$5 million from state taxation.

- This budget provides \$590 million in property tax relief through increases in the existing School Levy Tax Credit over the upcoming biennium.
- This budget ensures that typical property tax bills in Wisconsin will be held below the rate of inflation over the coming biennium.
- In recent years, Wisconsin has been lagging behind midwestern states in the funds that we dedicate to tourism marketing. This budget provides \$34 million over the biennium to raise Wisconsin’s profile across the country as a premier business, cultural, and recreational destination. This is the largest increase in state history in marketing and advertising funds for the Department of Tourism, and with this investment the department will be able to will run a competitive marketing campaign and keep pace with our neighboring states.
 - Of these funds, \$3 million over the biennium will be used for grants to “Discover Green Bay” and “Visit Milwaukee” to help capture the attention of the thousands of folks that will attend the 2025 NFL Draft and 2024 Republican National Convention and to show all the wonderful entertainment opportunities Wisconsin has to offer.
- Tourism is an important part of our Wisconsin economy and art tourism is equally as important. That is why it is vital to fund the arts in this budget. Wisconsin will invest \$552,500 over the biennium in the Wisconsin Arts Board. This funding is crucial in order to maximize the federal match funding available through the National Endowment for the Arts grants. These funds will continue supporting the tremendous work of individuals and organizations engaged in the arts.

SUPPORTING OUR WORKFORCE

- Investing in the next generation of Wisconsin workers is critical to the future success of our state. This budget invests \$7 million over the biennium for the youth apprenticeship program, which gives high school juniors and seniors an opportunity for career exploration and skills development.
- Modernization of technology is crucial for the Department of Safety and Professional Services (DSPS) to continue offering efficient and quality service for professional licensing. This budget upgrades and enhances department information technology systems, subscriptions, and equipment by providing \$6.7 million over the biennium. This will allow DSPS to continue effective operation of credentialing and building plan review and permitting software as well as call center functions, ultimately supporting job growth and economic development.
- The budget provides 7.0 FTE positions to allow DSPS to bolster the improvements the department already has made on license processing efficiency, which in turn helps our state’s workforce and our economy by getting people into jobs and providing critical public services faster. These additional positions make progress toward the resources the department needs.
- In order to meet substantially increased public demand for assistance with license and credential application processes, the budget provides 6.0 FTE customer service positions to ensure more customer calls are answered in a timely fashion.
- The budget will increase capacity for DSPS to conduct building plan reviews by providing the department with \$465,200 and 3.0 FTE positions. This will help the department review building plans and related inspections quickly and accurately, which will keep building project workers in jobs and decrease project costs.
- The budget will provide DSPS with increased spending authority of \$100,000 in fiscal year 2023–24 to develop an assured provider pilot program to modernize the continuing education certification process for realtors.
- To continue support for the successful youth firefighter training grant program and increase the number of volunteer firefighters in the state, the budget provides DSPS with \$75,000 in each year of the biennium.

HIGHER EDUCATION

- As part of the state’s building program, the following University of Wisconsin (UW) System projects are enumerated:
 - UW–Eau Claire Science/Health Science Building
 - UW–Madison Camp Randall Sports Center Replacement
 - UW–Stout Heritage Hall
 - UW–Oshkosh Donner–Webster Residence Halls
 - UW–La Crosse Center for the Arts Parking Ramp and University Police Building addition
 - UW–Stevens Point Champions Hall

- o UW–Oshkosh Gruenhagen Conference Center

- In addition, the budget provides project planning funds for UW–Milwaukee and UW–Whitewater to ensure important building projects on those campuses continue to progress.
- The budget also sets aside \$32 million for the UW System in the Joint Committee on Finance supplemental appropriation, allowing the UW System to request funding during this biennium. This funding is critical to maintaining affordable access to higher education for Wisconsinites, and I encourage the Legislature to promptly release these funds to the UW so that the system can continue its important mission of educating Wisconsinites and bolstering our workforce.
- As a result of my partial veto, the UW System retains 188 positions related to diversity, equity, and inclusion at campuses across the state.
- The Wisconsin Technical College System (WTCS) plays a critical role in bolstering our state’s workforce or our economy. Wisconsin is increasing general aid to the system by providing \$9.38 million over the biennium to train Wisconsin’s workforce of the future.
- The highest demanded industries require an additional investment in order to get Wisconsinites the skills and allow folks to fill good–paying, family–sustaining jobs. The budget bolsters the Workforce Advancement Training grants by providing an additional \$2 million over the biennium for skilled worker training. These grants are for high demand industries, and additional resources will help provide a relief valve for employers’ demand for skilled workers.
- Providing a quality and affordable education to Wisconsin residents is one of the highest priorities of the WTCS. Books and other educational resources are expensive and cost prohibitive to many families. Wisconsin will invest \$3 million over the biennium to provide grants to technical colleges to create open educational resources and course materials. This will allow students to access the material and will help to address the rising prices of textbooks and other resources for students.
- This budget strengthens the state’s health care workforce pipeline in the areas of dentistry and oral hygiene by providing \$20 million GPR in the Joint Committee on Finance supplemental appropriation for grants to technical colleges to expand and enhance related offerings.

AGRICULTURAL DEVELOPMENT

- Provides \$1 million GPR in each year to help build Wisconsin’s agricultural brand in international markets and increase agricultural exports through the Wisconsin Initiative for Agricultural Exports program (WIAE). This initiative aims to boost the export of dairy, meat, crop, and other agricultural products by 25 percent by June 2026 and allows the Department of Agriculture, Trade and Consumer Protection (DATCP) to have flexibility to respond and react to changing market conditions.
- Invests an additional \$300,000 GPR in each year to increase the available funding for the Dairy Processor Grant program. Increasing our state’s dairy processing capacity is critical for farmers to ensure their high–quality milk can be processed into numerous products like cheese, yogurt, and other products. This program provides grants up to \$50,000 to help foster innovation, improve profitability, and sustain the long–term viability of Wisconsin’s dairy processing facilities. In May 2023, DATCP announced 21 dairy companies receiving a total of \$400,000 in Dairy Processor Grant awards.
- Bolsters the Meat Processor Grant program with an additional \$1.6 million in fiscal year 2023–24. This program strives to grow Wisconsin’s meat industry and improve the long–term viability of the livestock sector through services to meat processing facilities. Meat Processor Grants are available to new or existing processors to facilitate changes and expansion to grow harvest capacity and/or increase product throughput. These facilities are crucial in producing various award–winning Wisconsin meat products like sausage and jerky.
- Allocates \$538,800 GPR in fiscal year 2023–24 and \$541,400 GPR in fiscal year 2024–25 to meet federal expenditure requirements for the meat inspection program. These inspections help ensure the meat products consumed by Wisconsinites are produced safely and match nutrition claims found on food labels.
- Provide \$100,000 GPR in each year for mental health assistance to farmers and farm families. Farming brings unique challenges including unpredictable weather, uncertain and volatile markets, and labor shortages. While stress is a part of life, prolonged and increasing amounts can negatively impact overall wellness, even leading to depression or anxiety. This crucial funding enables farmers and farm family members to attend in–person counseling services from a participating mental health provider in their local area at no cost.

SUPPORTING HEALTHIER WISCONSINITES

I believe that every Wisconsinite should have access to quality, affordable healthcare, and that the health and well-being of our state and our economy depend on the health and well-being of our communities. Over the past four years, I have worked to expand access to healthcare, and the 2023–25 budget makes critical investments to continue safety net programs like FoodShare, increase Medicaid reimbursement rates for healthcare providers, improve access to mental and behavioral healthcare, and bolster the healthcare workforce.

HEALTH SERVICES AND LONG-TERM CARE

This budget:

- Increases Medicaid funding for hospitals by \$236 million all funds over the biennium through increased base Medicaid reimbursement, Disproportionate Share Hospital payments, rural critical care supplemental payments, Medicaid reimbursement for hospital behavioral health units, and funding for graduate medical education.
- Increases Medicaid reimbursement rates by \$149 million all funds over the biennium for primary care services, emergency physicians, and chiropractic services.
- Provides \$5 million GPR in the Joint Committee on Finance supplemental appropriation to establish a general dentistry residency program for the Marquette Dental School.
- Increases allied health professional training grants by \$5 million GPR on a one-time basis over the biennium and expands grant eligibility to include training for registered nurses.
- Provides \$300,000 GPR over the biennium to support the Surgical Collaborative of Wisconsin and its work promoting best practice, better data collection, and stronger relationships between communities and the healthcare industry.
- Allocates funding to administer a certified public expenditure program for public ambulance service providers.
- Fully funds vital safety net programs such as Medicaid, SeniorCare, the Wisconsin Funeral and Cemetery Aids Program, and the Wisconsin Chronic Disease Program, ensuring Wisconsinites with the greatest need have access to care.
- Provides \$10 million GPR over the biennium in the Joint Committee on Finance supplemental appropriation to establish up to two crisis urgent care and observation centers that will do the following:
 - Serve as regional crisis receiving and stabilization facilities,
 - Offer seamless transitions between levels of services offered at the centers,
 - Arrange for the transfer to more appropriate treatment options as needed,
 - Coordinate the connection to ongoing care, and
 - Promote the effective sharing of information between providers to improve service delivery and patient outcomes.

Beyond providing access to these additional services, the centers will help reduce the amount of time law enforcement and first responders currently must dedicate to emergency detention cases by offering a dedicated first responder drop-off location that accepts custody of emergency detention cases and does not require that medical clearances be completed before drop-off.

- Allocates \$750,000 GPR annually for free and charitable clinics, allowing these clinics to continue providing their vital services to Wisconsinites in need of care.
- Provides \$2 million GPR over the biennium in the Joint Committee on Finance supplemental appropriation to establish a telemedicine crisis response pilot program in order to provide faster and more efficient care.
- Provides \$60.5 million all funds in fiscal year 2023–24 and \$67.7 million all funds in fiscal year 2024–25 for the administration of the Medicaid and FoodShare programs.
- Fully funds the county income maintenance consortia, the FoodShare Employment and Training program, and the Supplemental Security Income program and Caretaker Supplement.
- Provides \$230 million all funds in each fiscal year to reinsure high-cost individuals across all health insurance exchanges, in addition to fully funding the Wisconsin healthcare market. This provision helps stabilize the individual healthcare market and lower premiums for all Wisconsinites.
- Provides \$76,300 PR in fiscal year 2023–24 and \$101,600 PR in fiscal year 2024–25 to the Office of the Commissioner of Insurance to support 1.0 FTE PR position in the Division of Market Regulation. This position will manage the

increased regulatory responsibilities in areas such as licensure application reviews and renewals, rate and form filings and reviews, consumer complaints, and expanded consumer outreach.

- Provides \$214,800 PR in fiscal year 2023–24 and \$286,400 PR in fiscal year 2024–25 to the Office of Commissioner of Insurance to support 3.0 FTE PR positions in the Division of Financial Regulation. These positions will manage increased regulatory duties and complexity, implement legislation, and continue to meet state accreditation requirements to maintain Wisconsin’s reputation as a trusted insurance regulator.
- Restores funding for the Office of the Commissioner of Insurance’s general program operations.
- Fully funds the Board on Aging and Long–Term Care’s Medigap Helpline, which provides seniors with information on the health insurance options available to them.
- Provides \$225.7 million all funds over the biennium to continue the 5 percent rate increase for home and community–based services that were implemented using the federal funds provided to the Department of Health Services through the American Rescue Plan Act. This continuation not only ensures that home and community–based care providers can stay in business, but Wisconsinites can continue to receive the vital care they need.
- Provides \$38.4 million all funds over the biennium to increase the direct care and services portion of the Family Care capitation rate, which will further support access to in–home care.
- Increases the amount of funding individuals living in skilled nursing facilities are able to retain for personal needs from \$45 to \$55 per month.
- Provides \$146.4 million all funds over the biennium and requires the Department of Health Services to implement a priced rate for nursing home support services based on the median facility cost plus 25 percent.
- Provides \$31.2 million all funds over the biennium to exclude provider incentive payments from the profit limitation in support services. Allowing these incentive payments to be excluded means that providers can focus on the quality of care they provide, rather than the quantity of patients.
- Provides \$10 million all funds over the biennium to increase the ventilator dependent resident reimbursement rate for nursing home care from \$726 to \$926 per day. This \$200 per day increase makes it easier for nursing homes to provide the highest quality of care to their most complex residents.
- Provides \$2.5 million GPR in fiscal year 2023–24 and more than \$5 million GPR in fiscal year 2024–25 to increase funding for Aging and Disability Resource Centers, which serve as a vital bridge between Wisconsin families and systems of care.
- Provides \$5 million GPR in fiscal year 2023–24 in the Joint Committee on Finance supplemental appropriation to create a complex patient pilot program to assist hospitals in finding long–term care placements for complex patients.
- Provides \$1 million GPR in each year to increase funding for adult protective services.
- Provides \$2 million GPR in fiscal year 2024–25 to fund the WisCaregiver Career Program to help address the state’s shortage of certified nursing assistants.
- Provides \$225,000 GPR annually to increase funding for home delivered meals that provide countless Wisconsinites across the state with the vital nutrition they need to thrive.
- Provides \$2.5 million GPR in each year in the Joint Committee on Finance supplemental appropriation to support the state’s veterans homes, as needed, so that these vital facilities can retain staff, address building and operational needs, and provide the quality of care that our state’s veterans deserve.
- Requires the Department of Veterans Affairs to contract with a vendor to study the Wisconsin Veterans Homes during the upcoming biennium to ensure that our state’s veterans are receiving quality care.
- Allocates \$330,200 SEG in each year to increase funding for grants to county and Tribal veterans service offices by 25 percent, ensuring that Wisconsin’s more than 300,000 veterans have access to vital services regardless of their ZIP code.
- Provides \$3.5 million GPR in each year of the biennium to the Medical College of Wisconsin to support the recruitment and training of psychiatry and behavioral health residents throughout Wisconsin.

STATE BUILDING COMMISSION

Part of ensuring Wisconsinites have access to healthcare is ensuring we have the infrastructure needed to provide quality, affordable care. Using our state’s historic GPR surplus, this budget:

- Provides \$17.7 million SEG to improve the patient admissions area at Winnebago Mental Health Institute. This project will create a new intake and assessment area and a new 12–patient bed wing, which will accommodate increasing admissions and provide space to more efficiently observe, diagnose, and determine placement of patients in the facility.
- Provides \$10.7 million SEG to assist with the cost of construction and equipment upgrades for the Marquette University School of Dentistry. The expansion will help increase the supply of dentists in the state, improving accessibility to dental care and improving dental health outcomes.
- Provides nearly \$4.8 million SEG from the state’s historic surplus to assist with the expansion costs of the Children’s Hospital Dental Center. This expansion will improve access to dental care for our kids, contributing to healthier kids with healthier smiles and reducing the burden on the state’s urgent and emergency care departments, which will in turn lower overall dental care costs.

HOUSING

Access to safe, reliable, and affordable housing is a critical part of supporting Wisconsinites’ life–long health and well–being—from providing shelter from extreme weather and cold winters to ensuring individuals working to overcome a substance use disorder have a safe place to focus on recovery. To increase the supply of safe, affordable housing and help address the workforce shortages impacting our state, this budget:

- Provides \$50 million in one–time funds to the Wisconsin Housing and Economic Development Authority (WHEDA) which, as a result of a partial veto, can be used to support a housing rehabilitation program to offer grants or forgivable loans to low– to moderate–income households to renovate or repair their current home and address hazards like lead and mold.
- Invests \$275 million in one–time funds for the newly created Residential Housing Infrastructure Revolving Loan Fund at WHEDA to provide low–interest loans that support the creation of new affordable and senior housing.
- Provides \$100 million in one–time dollars to fund the newly created Main Street Housing Rehabilitation Revolving Loan Fund at WHEDA to provide low–interest loans to improve rental workforce housing on the second or third floor of existing buildings.
- Allocates \$100 million in one–time funding for the newly created Commercial–to– Housing Conversion Revolving Loan Fund at WHEDA to provide low–interest loans for the conversion of vacant commercial buildings to new residential developments of workforce or senior housing.
- Increases the limit on notes and bonds that WHEDA can issue that are secured by a capital reserve fund from \$800 million to \$1 billion to continue to finance projects supported with an allocation of state and federal housing tax credits.

BUILDING STRONG, SAFE COMMUNITIES

As Governor, I have made fixing our roads, improving our infrastructure, and investing in our local communities a top priority, and this commitment remains unchanged in my second term. This budget continues to invest in these priorities.

LOCAL GOVERNMENT AND SHARED REVENUE

For too long, the state has asked local communities to do more with less, forcing local partners to make difficult decisions to cut critical services, including fire and EMS. While the revenue Wisconsin sends back to our communities had been held flat for years, costs to operate local governments have increased. Local partners should have the resources they need to meet basic and unique needs alike. This budget, in combination with 2023 Wisconsin Act 12, finally addresses the dire need for increased shared revenue and funding to local emergency services.

- 2023 Wisconsin Act 12 is a historic piece of legislation that reflects a bipartisan compromise to address the dire need for increased shared revenue and funding to local emergency services. This budget funds the funding structure that was created in Act 12 and provides a \$275 million boost to state aid to localities by funding the supplemental county and municipal aid program. This momentous investment in local communities across Wisconsin includes a \$68 million increase in aid for counties and a \$207 million increase in aid for municipalities in fiscal year 2024–25, representing a 36 percent increase over current county and municipal aid entitlements.
- The legislation provides additional aid to counties and municipalities in fiscal year 2025–26 and beyond by linking both current and supplemental county and municipal aid to the growth rate in the state sales tax.
- The legislation seeks to incentivize local governments to provide the most efficient and cost–effective ways to deliver county and municipal services by providing up to \$300 million in innovation grants.

- The budget provides \$173.8 million in aid payments to local governments to hold them harmless from Act 12’s repeal of the burdensome personal property tax.
- The budget provides \$4 million to boost utility aid payments to counties and municipalities for the presence of production plants that generate power using alternative energy or are located on or adjacent to brownfields.
- The budget improves our emergency services network by increasing funding for the Department of Military Affairs’ Public Service Answering Point (PSAP) grants by \$12 million in fiscal year 2024–25. This budget also increases funding for the Next Generation 911 GIS grants by \$4.5 million in fiscal year 2024–25.
- This budget increases funding for Department of Justice law enforcement training grants by \$2.3 million by providing \$8.8 million annually from the new Local Government Fund.
- When a crisis occurs, we need our ambulance service providers to respond quickly and have all the necessary equipment to provide lifesaving care. This budget increases the Department of Health Services’ emergency medical services funding assistance grant program by \$22.8 million by providing \$25 million annually from the new Local Government Fund.
 - The budget also expands the eligibility for the Department of Health Services’ emergency medical services grants to include emergency medical responder departments and allows the use of grants to include nondurable and disposable medical supplies, equipment, and medications.
- The budget provides \$3.6 million in the Joint Committee on Finance supplemental appropriation to compensate counties and, as a result of a partial veto, municipalities impacted by a 2022 federal court decision that exempted from property taxes property within certain reservations owned by a Tribe or Tribal member, regardless of any prior non-Tribal ownership.

TRANSPORTATION AND INFRASTRUCTURE

The 2023–25 biennial budget makes key strategic investments in our state’s critical infrastructure while wisely managing our state finances to save taxpayers money. From increased support for local roads to new investments in important roads used for agricultural transport to bolstering transit funding, the 2023–25 biennial budget will ensure Wisconsin’s infrastructure is more resilient and reliable. Specifically, this budget:

- Invests \$555.5 million from the General Fund to the Transportation Fund to fund transportation projects underway or under development, reducing Transportation Fund debt service payments into the future and saving Wisconsin taxpayers money.
- Supports the Transportation Fund with transfers of \$39.3 million in fiscal year 2023–24 and \$55.1 million in fiscal year 2024–25 from the General Fund calculated by estimating the sales tax revenue generated by the sale of electric vehicles. Since electric vehicle drivers do not buy gasoline for their vehicles and thus do not pay the gas tax, this innovative solution will help to improve the sustainability of the state’s Transportation Fund and enable future road improvement projects as electric vehicle adoption continues to increase.
- Provides a 2 percent increase in general transportation aids (GTAs) for municipalities and counties in both calendar year 2024 and calendar year 2025. GTAs help local governments pay for road construction, maintenance, traffic operations, and critical support for local Wisconsin communities, and the investments in the 2023–25 biennial budget result in the largest amount of funding for the program in the state’s history.
- Provides a 2 percent increase in mass transit aids funding to assist local transit systems in operating costs, which lowers local tax burden. The budget also provides a 4 percent increase in paratransit aids funding and increases funding for specialized transit aids for seniors and persons with disabilities, ensuring these Wisconsinites have equitable access to public transportation needed to travel to work, receive healthcare, or get an education.
- Provides additional, one-time funding for local roads through two programs:
 - First, the budget provides a new round of supplemental funding for the Local Roads Improvement Program (LRIP) at \$100 million in fiscal year 2023–24. LRIP assists local communities by paying for up to 50 percent of local projects that improve deteriorating county highways, town roads, and city and village streets, and this \$100 million supplement to the program will enable more local communities to complete more critical projects.
 - In addition, the budget includes \$150 million to fund the new Agricultural Roads Improvement Program (ARIP) created via 2023 Wisconsin Act 13. ARIP will enable local communities to make targeted investments in eligible projects that support agriculture that would likely otherwise not receive funding from other state aid programs.

- Provides bonding authority and funding levels adequate to keep the following high priority projects on schedule:
 - The Blatnik Bridge replacement project in Superior in partnership with the Minnesota Department of Transportation;
 - The replacement of the I–94/90/39 bridges over the Wisconsin River;
 - The expansion of I–41 in the Fox River Valley;
 - The expansion of I–43 in southeast Wisconsin; and
 - The expansion of I–94 East–West in the city of Milwaukee.
- Allocates \$50 million for a third, southern bridge over the Fox River in Brown County, which will help ease traffic congestion and spur economic development for the region.
- Continues to invest in our Harbor Assistance Program to fund harbor improvements, such as dock reconstruction, mooring structure replacement, dredging, and construction of facilities to hold dredged material.
- Allocates funding to the Airport Improvement Program for aeronautics air traffic control system upgrades, as well as \$7 million to the Appleton International Airport to support a terminal expansion.

STATE BUILDING COMMISSION

- The 2023–25 capital budget includes \$2,384,186,200 in funding or bonding authority for a robust state building program.
- Historically, the state funds these projects with a mix of bonding authority, existing agency funds, and contributions from gifts and grants. With the state’s historic surplus due to sound financial management, over \$1.2 billion of the General Fund’s existing balance is used as an investment in the state’s capital needs. This investment avoids nearly \$500 million in future interest costs as borrowing won’t be necessary for projects funded with this money.
- This budget provides \$32.6 million from the state’s historic surplus and \$45.8 million of existing General Fund supported borrowing to build a Type 1 Juvenile Corrections Facility in Milwaukee County, which would allow justice–involved youth to be housed in a facility closer to family, setting them up for better outcomes when they return to our communities.

STABILIZING OUR JUSTICE SYSTEM

Department of Corrections

- In a historically tight labor market, the state has struggled to recruit and retain enough employees, especially at the Department of Corrections, which has grappled with low pay and high vacancies for many years. This budget:
 - Increases the starting wage for correctional security positions to \$33 per hour to reduce staffing vacancies,
 - Supports the continuation of the \$5 per hour add–on at high vacancy facilities,
 - Increases the maximum–security add–on to \$3 per hour, and
 - Creates a \$1 per hour medium–security add–on.
- Additionally, one specific way the Department of Corrections is working to combat opioid use is through medication–assisted treatment, which uses medications, in combination with counseling and behavioral therapies, to treat opioid use disorders. This budget provides \$4,683,300 over the biennium to expand a medication–assisted treatment program.
- The Opening Avenues to Reentry Success (OARS) is a voluntary program that supports the prison–to–community transition of persons in the care of the Department of Corrections living with a serious and persistent mental health illness who are medium to high risk of reoffending. The program has been a success to aid in reentry for people in the department’s care. This budget builds on the success of OARS and invests \$2,272,300 over the biennium in the program.

District Attorneys, Public Defenders and Courts

Our justice system relies on honest, hardworking staff in district attorney and public defenders’ offices across the state. Adequately staffing the different components of the justice system is vital to ensuring reasonable caseloads, reducing burnout, and meeting constitutional protections for justice–involved individuals. This budget:

- Provides \$8,121,200 in each year for market–based salary adjustments for assistant and deputy district attorneys, providing a competitive starting rate of \$36 per hour.

- Provides \$2,104,500 to allow a one-step pay progression for assistant and deputy district attorneys to increase retention of experienced attorneys.
- Provides \$926,200 to increase compensation for elected district attorneys, beginning with their new term in 2025.
- Provides an additional 4.4 FTE assistant district attorney positions across the state over the biennium.
- Provides market-based salary adjustments for assistant state public defenders to increase retention of experienced attorneys. This would result in \$8,148,600 in fiscal year 2023–24 and \$10,260,200 in fiscal year 2024–25. The funding would be sufficient for a starting rate of \$36 per hour and a one-step pay progression in fiscal year 2024–25.
- Improves the State Public Defender’s ability to recruit and retain private attorneys by providing \$8,797,200 in each year to increase the private bar reimbursement rate. This funding would be sufficient for a private bar rate of \$100 per hour and a travel rate of \$50 per hour.
- Provides \$2,469,400 in all funds over the biennium and an additional 8.0 FTE positions to support the creation of four additional circuit court branches beginning in fiscal year 2023–24.
- Provides \$2,644,200 over the biennium to implement new and ongoing cybersecurity initiatives and related maintenance for the court system.

Department of Justice

We know we can keep our communities safe by holding offenders accountable, reform our justice system, and save money, all at the same time by using evidence-based practices to help us make better decisions throughout the justice system. This budget:

- Invests \$1 million to expand Wisconsin’s Treatment Alternatives and Diversion (TAD) program, which reduces recidivism and costs by working with individuals outside of the traditional criminal justice system to receive treatment and care in a supportive, encouraging environment designed to accommodate specific needs.
- Converts \$1 million of program funding in each year from justice information system surcharge funding to general purpose revenue to address a current deficit of surcharge funding to ensure a steady funding source for TAD programming.
- Increases the program expenditure authority for the TAD program by \$232,200 in fiscal year 2023–24.
- Provides \$135,000 in fiscal year 2024–25 to create a grant to promote the protection of elders and support the elder abuse hotline to be administered by the Department of Justice.
- Provides \$136,400 over the biennium and 1.0 FTE position to continue providing training and resources for prosecutors on sexual assault cases.
- Provides \$155,800 in each year of the biennium and 2.0 FTE positions to serve as field prosecutors and assist with investigating and prosecuting drug-related offenses in the Division of Criminal Investigation’s Wausau and Appleton field offices.
- Provides the Department of Justice with \$501,100 and 1.5 FTE positions over the biennium to investigate internet crimes against children, as well as increases expenditure authority by \$250,000 over the biennium for local law enforcement supporting the Internet Crimes Against Children Task Force.
- Provides an additional \$3,404,800 over the biennium to reimburse counties for eligible costs associated with providing services to crime victims and witnesses.
- Provides \$123,600 in fiscal year 2024–25 and 3.0 FTE positions for additional staff at the State Crime Laboratories to support the staffing resources needed to process samples in a timely manner.
- Extends the child in need of protection and/or services pilot program through June 30, 2025.

ADDITIONAL INVESTMENTS IN THE SAFETY OF OUR COMMUNITIES

- Provides \$45 million GPR in fiscal year 2023–24 to fund the replacement costs of the WISCOM system.
- Provides \$2 million GPR in the Joint Committee on Finance supplemental appropriation in fiscal year 2023–24 to provide predisaster flood resilience grants.
- Provides \$1 million GPR in the Joint Committee on Finance supplemental appropriation in fiscal year 2023–24 for disaster assistance to the town of Silver Cliff.

- Provides \$2 million GPR in fiscal year 2024–25 for grants for public safety interoperable communication system upgrades.

PROTECTING & CONSERVING OUR NATURAL RESOURCES

Wisconsin has a proud and rich history of conservation and stewardship—from our expansive system of state parks and trails to our freshwater lakes and rivers. I continue to be committed to protecting our environment and improving water quality because these principles are vital to both promoting Wisconsinites’ health and well-being and maintaining our economy’s momentum.

STATE PARKS

Wisconsin’s system of state parks, forests, and trails is the gem of our state, boasting over 100 protected areas and serving over 20 million visitors annually. To ensure facilities in these recreational areas are well maintained, this budget:

- Provides \$29.0 million SEG in one-time funding for capital development projects in state parks and forests. This includes:
 - Nearly \$13.4 million SEG in fiscal year 2023–24 for state parks and forests maintenance and development projects, including \$4 million SEG to improve accessibility for visitors with special needs;
 - \$5.6 million SEG in fiscal year 2023–24 for state forest, parks, and riverway roads maintenance and development projects; and
 - \$10 million SEG in fiscal year 2023–24 for facilities repair and renovation projects at state parks, trails, and recreation areas.
- Provides \$1.5 million SEG in fiscal year 2024–25 as one-time funding to electrify campsites at state parks and eliminates the 35 percent cap on the number of campsites that can be electrified in the state park system. This will allow the Department of Natural Resources to better respond to campsite demand from visitors.

FORESTRY

- Preserving our forestland and other outdoor spaces is not only important for Wisconsinites’ health and well-being but also key to our state’s economic success as Wisconsin’s forestry industry is a critical facet of the state’s economy. This budget increases funding for the Urban Forestry Grant program by \$175,000 SEG annually to combat emerging threats in urban forestry. Urban Forestry Grants can take the form of:
 - Regular grants to support new, innovative projects that will develop sustainable urban and community forestry programs;
 - Startup grants for communities that want to start or restart an urban forestry program; and
 - Catastrophic Storm grants that fund tree repair, removal, or replacement within urban areas following a catastrophic storm event for which the Governor has declared a state of emergency.
- Increases funding for the County Forest Administration Grant program by \$200,000 SEG in each year to support salaries for county forest administrators. Up to 50 percent of the annual salary and fringe benefits for county forest administrators and assistant county forest administrators may be covered by the grant program, supporting Wisconsin counties in their forestry activities and planning.
- Increases funding for the Sustainable Forestry Grant program by \$50,000 SEG in each year to support sustainable forest management projects on county forest land, such as storm-related projects or hiring temporary staff to address short-term workload projects.
- Provides \$807,600 SEG in fiscal year 2023–24 and \$150,000 SEG in fiscal year 2024–25 as one-time funding to acquire and upgrade fire suppression equipment at the Department of Natural Resources to more effectively combat wildfires.

CLEAN WATER

Over the last four years, my administration has worked to identify and remediate contamination in ground, surface, and drinking water and to improve water quality for all Wisconsinites. To continue building on this work, this budget:

- Provides \$7.5 million GPR in fiscal year 2023–24 for contaminated sediment removal from sites in the Great Lakes or its tributaries that are on Wisconsin’s impaired waters list to continue protecting this resource.

- Provides \$4 million GPR for urban nonpoint source (UNPS) cost-sharing and the municipal flood control (MFC) program. The UNPS program offers competitive grants to local governments for the control of pollution from diffuse urban sources that is carried by storm water runoff, and the MFC program provides cost sharing to municipalities for activities such as property acquisition and removal of structures, floodproofing and flood elevation of structures, and flood mapping.
- Provides \$6.5 million GPR for grants to counties for capital projects that implement land and water resource management plans under the Targeted Runoff Management program, which can reimburse costs for agricultural or urban runoff management practices in targeted, critical geographic areas with surface water or groundwater quality concerns. The budget also provides an additional \$400,000 SEG in each year for noncapital projects under the Targeted Runoff Management program.
- Provides \$7 million GPR for grants to counties for implementation of land and water resource management plans, including cost-share grants to landowners that install conservation practices on their land, such as erosion prevention strategies, through the Soil and Water Resource Management program.
- Provides \$775,000 in fiscal year 2023–24 and \$121,000 in fiscal year 2024–25 to provide additional equipment in the Bureau of Laboratory Services at the Department of Agriculture, Trade and Consumer Protection.
- Provides \$4 million GPR for the repair, reconstruction, and removal of dams.
- Provides \$250,000 SEG in each year to support the Producer-Led Watershed Protection grant program. Funding from this program enables producers and producer-led groups to implement nonpoint source pollution abatement strategies to improve Wisconsin’s soil and water quality.
- Provides \$1.8 million SEG in each year on a one-time basis to continue the commercial nitrogen optimization pilot program (NOPP) and cover crop insurance program. These programs were created by 2021 Wisconsin Act 223, which I signed into law in April 2022. NOPP grants aim to refine and enhance the understanding of new methods that optimize commercial nitrogen applied to agricultural fields, helping to protect soil and water resources, while the cover crop insurance program assists farmers with rebates of \$5 per acre of a cover crop planted for crop insurance premiums paid on those acres.
- Provides \$1 million GPR in fiscal year 2023–24 for financial assistance under the state well compensation program. The well compensation program provides financial support to private well owners to support the replacement, reconstruction, treatment, or abandonment of contaminated private wells.
 - In addition to this investment, in August 2022, my administration created a new well compensation grant program with \$10 million of the state’s allocation of federal relief funds. This new program included expanded eligibility criteria to further the reach of the program and better meet the needs of Wisconsin’s well owners. Unfortunately, the Legislature rejected these same eligibility changes to the state-funded well compensation program included in my 2023–25 biennial budget proposal.

ADDITIONAL KEY PRIORITIES

TRIBAL NATIONS

I deeply value the government-to-government relationship between the 11 federally recognized Tribal Nations within Wisconsin’s borders and the state of Wisconsin. With targeted allocations of Tribal gaming revenues to benefit our Tribal partners, the 2023–25 state budget:

- Provides one-time funding of \$11 million PR–S Tribal gaming revenues to the Joint Committee on Finance supplemental appropriation to fund general assistance grants to the federally recognized Tribes of Wisconsin in fiscal year 2023–24, continuing the grant program created following my recommendation in the 2021–23 state budget.
- Provides one-time funding of \$1.5 million PR–S Tribal gaming revenues annually for grants to nonprofit food assistance organizations that purchase and distribute food to Tribal elders and to entities supporting the growth and operation of participating food producers, with a focus on Indigenous-based and local food producers.
- Provides \$395,800 all funds in fiscal year 2023–24 and \$436,000 all funds in fiscal year 2024–25 to expand the scope of 2021 Wisconsin Act 132 by reimbursing Tribal Nations for subsidized guardianship placements in the same manner as Wisconsin’s counties. This funding ensures parity between state residents who are Tribal citizens and non-Tribal citizens.
- Provides \$507,000 PR–S each year in Tribal gaming revenues to support child welfare services of the Menominee Indian Tribe of Wisconsin.

- Provides specific grants using Tribal gaming revenues, including:
 - An annual grant of \$110,100 to the Oneida Nation to support National Estuarine Research Reserve (NERR) system programming. The proposed Green Bay NERR would be the third NERR within the Great Lakes and will foster important educational opportunities for all Wisconsinites as well as partnership opportunities with Great Lakes Tribal Nations.
 - An annual grant of \$175,000 to the Oneida Nation to support Audubon Great Lakes (AGL) projects. This funding will enable the Nation and AGL to continue their successful bird monitoring and restoration efforts.
 - An annual grant of \$259,100 for the Oneida Nation’s Healing to Wellness Court program, which is a voluntary program that provides culturally responsive and community–based support to break the cycle of substance abuse and its negative effects on the community.
- Provides one–time funding of \$109,300 PR–S annually in Tribal gaming revenues to continue funding programming at the University of Wisconsin (UW)–Green Bay that is developed with the Oneida Nation. This increase to base funding was included in the 2021–23 biennial budget but was also made one–time. This partnership supports STEM–related (science, technology, engineering, and mathematics) camps for hundreds of students and provides access to UW–Green Bay’s college credit program for high school students.

STATE EMPLOYEES

State employees are one of Wisconsin’s greatest assets, providing critical and necessary services to the people of Wisconsin each and every day. The state must be able to offer competitive pay in order to fill vacancies, retain our workforce, and provide the quality service the people of Wisconsin expect and deserve. In recognition of this and the good work state employees do, the budget provides a robust compensation package. This budget:

- Provides \$221.2 million GPR over the biennium for a general wage adjustment for most state employees at state agencies and the University of Wisconsin System of 4 percent in July of 2023, and an additional 2 percent in July of 2024.
- Provides \$4 million GPR over the biennium for targeted market and parity wage adjustments for employees within certain classifications in state agencies to better align their wages to those paid by private and other public sector employees. This adjustment will help the state remain competitive for skilled workers. This budget also provides \$1.2 million GPR in fiscal year 2024–25 to support market wage adjustments for employees within certain information technology–related classifications.
- Provides \$88.4 million GPR in fiscal year 2023–24 to adjust agency compensation budgets to reflect an additional biweekly payroll.
- Provides \$34.7 million in all funds, including \$7 million GPR, over the biennium to support the continuation of existing hourly add–ons to address critical recruitment and retention needs within specific classifications at several state agencies.
- Provides \$291.6 million GPR over the biennium to enhance the pay structure for correctional officers, sergeants, psychiatric care technicians, and youth counselors at the Department of Corrections and the Department of Health Services to address critical recruitment and retention needs. This funding will support:
 - Increasing the minimum starting hourly wage from \$20.29 to \$33, increasing to \$39 per hour for correctional officers with 25 or more years of experience.
 - Enhancing the existing pay progression for these classifications, plus supervisor parity.
 - Converting the existing \$4 per hour add–on to the base hourly wage.
- Provides other pay initiatives aimed at addressing the workforce shortages at the Department of Corrections, including \$52.4 million over the biennium to support several additional pay initiatives for correctional officers and sergeants, including:
 - Increasing the existing add–on for employees working within maximum security institutions from \$2 to \$3 per hour;
 - Implementing a \$1 per hour add–on for employees working within medium security institutions; and
 - Continuing the \$5 per hour add–on for correctional officers, sergeants, and agents working as officers within institutions with vacancy rates greater than 40 percent among security classifications.
- Extends the long–term service award program for protective positions within the Department of Corrections and the Department of Health Services and provides \$545,200 in fiscal year 2023–24.

- Provides \$6 million GPR over the biennium to institute a pay progression for probation and parole officers at the Department of Corrections and to modify the existing pay progressions for wardens at the Department of Natural Resources and the Wisconsin State Capitol Police.

GENERAL GOVERNMENT

- This budget, as partially vetoed, provides \$10 million in one-time funding to the Joint Committee on Finance supplemental appropriation to fund the creation of an endowment at WisconsinEye. The funding would support a dollar-for-dollar match to ensure continued funding of WisconsinEye and eliminate the need for paid subscriptions to access content of public meetings, increasing transparency and access to government proceedings for Wisconsinites.
- This budget provides \$711,000 over the biennium to the Ethics Commission to fund the replacement of the existing website, which is out-of-date and has shown reliability issues.
- This budget provides \$400 million in fiscal year 2023-24 to pay debt service on appropriation obligation bonds issued to repurchase the rights to the state's tobacco settlement revenues.
- This budget provides ongoing funding to the Department of Employee Trust Funds to support ongoing operational expenses associated with the modernization of the department's insurance administration system. Additionally, it provides 7.0 FTE positions to support the long-term information technology modernization project, which includes the modernization of the insurance administration system and the pension administration system.

While this budget notably includes many items that address immediate needs and priorities, in addition to imminent needs and necessary investments I raised above, I would be remiss if I did not note where it falls incomplete:

The Legislature's budget left much to be desired when it comes to doing what is best for our kids by fully funding our public schools. Although I reached a compromise with legislative leaders to provide additional revenue limit authority and continuation of the state's two-thirds funding commitment in this biennium, I would have liked to see the Legislature do better for our kids and our schools by providing more significant increases in many categorical aids to our schools. This missed opportunity is especially disappointing in light of the significant resources that the Legislature dedicated to the School Levy Tax Credit—funding that could have instead been directed to our schools to be spent in classrooms, delivering for our kids while also helping to keep the pressures of school funding off the property tax. Further, the Legislature did not invest in any of the proposed initiatives to help Wisconsin schools recruit and retain our best and brightest teachers and staff—a huge mistake in the midst of a school staffing shortage. Additionally, we have work to do to ensure state investments we make in our kids and our schools can keep up with inflation.

I am glad this budget will ensure our school districts have predictable, long-term revenue limit authority increases, in part, to help meet rising costs in the future. I hope that as we continue to work together going forward, the Legislature will listen more closely to our school leaders, who have been clear about the need for increases in order for Wisconsin schools to have the resources to deliver a high-quality education for each and every one of our kids.

We know the importance of doing what we can as elected officials to make smart, prudent investments, and in some cases, that includes building or expanding the facilities necessary to benefit our economy and further bolster our workforce. I, along with many others across our state, remain chagrined regarding the Legislature's decision to reject important projects such as the University of Wisconsin-Madison's new engineering building and the completion of the University of Wisconsin-La Crosse's Prairie Springs Science Center, refusing to enumerate these projects in this biennial budget. This decision is, at best, short-sighted, at worst, purely political and petty. Any legislative discussions about "talent attraction" or being economically competitive ring hollow as long as the Legislature refuses to meaningfully invest in our Wisconsin Technical College and University of Wisconsin Systems, including our world-class research institution at UW-Madison, which are essential economic engines for our state.

The Legislature also rejected my budget recommendations to extend postpartum coverage for Medicaid-eligible mothers from 60 days to one year, which over 40 states have already implemented or are planning to implement in the near future. This extended timeline would have ensured that mothers and their newborns would retain health insurance during this critical time period. Additionally, I am also consistently befuddled and dismayed by the Legislature's continued refusal to adopt Medicaid expansion even as Republican legislators across the country are supporting efforts to do so. In Wisconsin, this would have resulted in more than \$1.6 billion in state savings due to additional federal funding that we could use to further invest in healthcare, education, our environment, or anywhere else. This is foolish.

As long as I am Governor, I will seek to expand BadgerCare because making sure every Wisconsinite has access to high-quality, affordable healthcare is the right thing to do.

Finally, I am disappointed with the Legislature's chosen course of action related to taxes. I am proud that 86 percent of Wisconsin taxpayers have seen an income tax cut of 15 percent or more, with 2.4 million taxpayers getting relief, under

tax cuts I have signed into law. I also promised cutting taxes would be part of our agenda in this budget to help working families afford rising costs, but that it had to be real, responsible, and targeted to working Wisconsinites who need the extra breathing room. The Republican plan sent to my desk is neither real, nor responsible, nor meaningfully targeted to the middle class.

First, the income tax proposal forwarded to me could result in the state having to repay billions of dollars it received under the American Rescue Plan Act (ARPA) of 2021—a risk I am unwilling to take. Second, instead of supporting my 10 percent middle-class tax cut to provide over \$1.2 billion in targeted income tax relief over the biennium for working families, caregivers, parents, veterans with disabilities, and seniors, roughly half of this proposed tax plan would go to filers with incomes above \$200,000. Under this proposal, 11 taxpayers who make over \$75 million per year would receive an average cut of \$1.8 million per year. Third, this approach is frankly fiscally irresponsible going forward and would put us in a position where we would almost certainly have to reduce funding and ongoing commitments to our schools, healthcare providers, local municipalities, and many other priorities in the next budget.

In recent months, we have worked together to address critical needs, reach bipartisan consensus and compromise, and accomplish important work for the people of our state. I am optimistic that our work together can continue—and it must. I urge members of the Legislature to continue the work on this budget throughout the remainder of this legislative session so that we can bolster our state’s workforce, maintain our economic momentum, and, most importantly, do the right thing for Wisconsin.

Respectfully submitted,

TONY EVERS

Governor

V. VETOED ITEMS

A. INVESTING IN WHAT’S BEST FOR KIDS

1. Per Pupil Revenue Limit Adjustment

Governor’s written objections

Sections 402, 403, 404, and 408

These sections provide the formula resulting in per pupil revenue limit adjustments of \$325 in fiscal year 2023–24 and fiscal year 2024–25 for public school districts.

I am partially vetoing sections 402, 403, 404, and 408 to provide a \$325 per pupil revenue limit adjustment in each year from 2023 through 2425. I object to the failure of the Legislature to address the long-term financial needs of school districts. This veto makes no changes to the per pupil revenue limit adjustment provided in the 2023–24 and 2024–25 school years and provides school districts with predictable long-term spending authority increases.

I have repeatedly recommended restoring the inflationary indexing of the per pupil revenue limit adjustment, which was in place prior to fiscal year 2009–10. Providing increased and continuing resources to school districts through the per pupil revenue limit adjustment, as recommended by the Legislature’s 2019 Blue Ribbon Commission on School Funding, should be something all Wisconsinites can support.

I have often said that what is best for our kids is what is best for our state. As a result of this veto, I am requesting the Department of Public Instruction provide and account for this per pupil revenue limit adjustment authority of \$179 plus \$146 for a total of \$325 in each year from 2023–24 until 2425.

Cited segments of 2023 Senate Bill 70:

SECTION 402. 121.905 (3) (c) 9. of the statutes is created to read:

121.905 (3) (c) 9. For the limit for the 2023–24 school year and the 2024–25 school year , add \$325 to the result under par. (b).

SECTION 403. 121.91 (2m) (j) (intro.) of the statutes is amended to read:

121.91 (2m) (j) (intro.) Notwithstanding par. (i) and except as provided in subs. (3), (4), and (8), a school district cannot increase its revenues for the 2020–21 school year, the 2023–24 school year , and the 2024–25 school year to an amount that exceeds the amount calculated as follows:

SECTION 404. 121.91 (2m) (j) 2m. of the statutes is created to read:

121.91 (2m) (j) 2m. In the 2023–24 school year and the 2024–25 school year , add \$146.

SECTION 408. 121.91 (2m) (t) 1. (intro.) of the statutes is amended to read:

121.91 (2m) (t) 1. (intro.) If 2 or more school districts are consolidated under s. 117.08 or 117.09, in the 2019–20 school year, the consolidated school district’s revenue limit shall be determined as provided under par. (im), in the 2020–21 school year, 2023–24 school year , or 2024–25 school year , the consolidated school district’s revenue limit shall be determined as provided under par. (j), and in each school year thereafter, the consolidated school district’s revenue limit shall be determined as provided under par. (i), except as follows:

Vetoed In Part

Vetoed In Part

Vetoed In Part

Vetoed In Part

2. High Poverty Aid

Governor’s written objections

Sections 67, 394, 395, 396, 400, 401g, and 9334

These sections repeal and remove funding from the existing aid for the high poverty school districts appropriation under s. 20.255 (2) (bb). School districts are eligible for this aid if at least half of their enrollment meets the income criteria for a free and reduced-price lunch in the federal school lunch program.

I am vetoing these sections to retain the appropriation that exists under current law in s. 20.255 (2) (bb) with zero dollars, and to retain the statutory references to high poverty aid. I object to eliminating this aid program without also providing sufficient increases in general equalization aid. The Legislature has chosen to provide greater investment in the school levy tax credit than general equalization aid in this budget. This is a less equitable funding model for school district costs and is in direct conflict with recommendations by the Legislature’s 2019 Blue Ribbon Commission on School Funding. Through this veto, I am retaining the appropriation so that the state has a clear pathway to support high poverty school districts.

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part
Vetoed
In Part**

SECTION 67. 20.255 (2) (bb) of the statutes is repealed.

SECTION 394. 118.40 (2r) (e) 2p. a. of the statutes is amended to read:

118.40 (2r) (e) 2p. a. Add the amounts appropriated in the current fiscal year under s. 20.255 (2), except s. 20.255 (2) (ac), (aw), (az), ~~(bb)~~, (dj), (du), (fm), (fp), (fq), (fr), (fu), (k), and (m); and s. 20.505 (4) (es); and the amount, as determined by the secretary of administration, of the appropriation under s. 20.505 (4) (s) allocated for payments to telecommunications providers under contracts with school districts and cooperative educational service agencies under s. 16.971 (13).

SECTION 395. 119.46 (1) of the statutes is amended to read:

119.46 (1) As part of the budget transmitted annually to the common council under s. 119.16 (8) (b), the board shall report the amount of money required for the ensuing school year to operate all public schools in the city under this chapter, including the schools transferred to the superintendent of schools opportunity schools and partnership program under s. 119.33 and to the opportunity schools and partnership program under subch. II, to repair and keep in order school buildings and equipment, including school buildings and equipment transferred to the superintendent of schools opportunity schools and partnership program under s. 119.33 and to the opportunity schools and partnership program under subch. II, to make material improvements to school property, and to purchase necessary additions to school sites. The report shall specify the amount of net proceeds from the sale or lease of city-owned property used for school purposes deposited in the immediately preceding school year into the school operations fund as specified under s. 119.60 (2m) (c) or (5) and the net proceeds from the sale of an eligible school building deposited in the immediately

preceding school year into the school operations fund as specified under s. 119.61 (5). The amount included in the report for the purpose of supporting the Milwaukee Parental Choice Program under s. 119.23 shall be reduced by the amount of aid received by the board under ~~s. 121.136~~ and by the amount specified in the notice received by the board under s. 121.137 (2). The common council shall levy and collect a tax upon all the property subject to taxation in the city, which shall be equal to the amount of money required by the board for the purposes set forth in this subsection, at the same time and in the same manner as other taxes are levied and collected. Such taxes shall be in addition to all other taxes which the city is authorized to levy. The taxes so levied and collected, any other funds provided by law and placed at the disposal of the city for the same purposes, and the moneys deposited in the school operations fund under ss. 119.60 (1), (2m) (c), and (5) and 119.61 (5) shall constitute the school operations fund.

SECTION 396. 121.136 of the statutes is repealed.

SECTION 400. 121.90 (2) (am) 1. of the statutes is amended to read:

121.90 (2) (am) 1. Aid under ss. 121.08, 121.09, and 121.105, ~~and 121.136~~ and subch. VI, as calculated for the current school year on October 15 under s. 121.15 (4) and including adjustments made under s. 121.15 (4).

SECTION 401g. 121.90 (2) (bm) 3. of the statutes is amended to read:

121.90 (2) (bm) 3. For the school district operating under ch. 119, aid received under s. 121.136.

SECTION 9334. Initial applicability; Public Instruction.

(1) REVENUE LIMIT; HIGH POVERTY AID. The treatment of s. 121.90 (2) (am) 1. and (bm) 3. first applies to the calculation of revenue limits for the 2023–24 school year.

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

3. Lakeland STAR Academy

Governor’s written objections

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

These sections provide \$250,000 GPR in fiscal year 2023–24 and \$500,000 GPR in fiscal year 2024–25 in a newly created annual appropriation for grants to the Lakeland STAR Academy. Specifically, they require the Department of Public Instruction to provide a grant to the Lakeland UHS School District for the Lakeland STAR Academy. No payments could be made from this appropriation after June 30, 2025.

I am partially vetoing section 51 [as it relates to s. 20.255 (2) (ag)] and vetoing the remaining sections in their entirety to eliminate the grant program for Lakeland STAR Academy. I object to providing state grants to a specific school when the Legislature has failed to provide the needed level of state dollars in a number of critical programs that serve schools statewide, such as special education, school nutrition, or mental health categorical aid programs. There are hundreds of charter schools authorized by public school districts, and it is unfair and inequitable to single out one school for a state grant. As I have said before, every kid in Wisconsin should be able to get a great education in a public school regardless of what district they live in, and state funding decisions should not pick winners and losers among our kids.

Cited segments of 2023 Senate Bill 70:

SECTION 51. 20.005 (3) of the statutes is repealed and recreated to read:

20.255 Public Instruction, Department of

(2) AIDS FOR LOCAL EDUCATIONAL PROGRAMMING

(ag) Grants to Lakeland STAR Academy	GPR	A	250,000	500,000
--------------------------------------	-----	---	---------	---------

Vetoed In Part

Vetoed In Part

SECTION 65. 20.255 (2) (ag) of the statutes is created to read:

20.255 (2) (ag) *Grants to Lakeland STAR Academy.* The amounts in the schedule for payments under 2023 Wisconsin Act (this act), section 9134 (1).

SECTION 66. 20.255 (2) (ag) of the statutes, as created by 2023 Wisconsin Act (this act), is repealed.

SECTION 9134. Nonstatutory provisions; Public Instruction.

(1) GRANTS TO LAKELAND STAR ACADEMY. In each fiscal year of the 2023–25 fiscal biennium, the department of public instruction shall distribute the amount appropriated under s. 20.255 (2) (ag) to the Lakeland Union High School District for the Lakeland STAR Academy.

Vetoed In Part

SECTION 9434. Effective dates; Public Instruction. (1) GRANTS TO LAKELAND STAR ACADEMY. The repeal of s. 20.255 (2) (ag) takes effect on July 1, 2025.

Vetoed In Part

4. Online Early Learning Pilot Sunset Date

Governor’s written objections

Sections 51 [as it relates to s. 20.255 (3) (df)], 473, 474, 475, and 476

These sections modify the repeal of the online early learning program; grant appropriation under s. 20.255 (3) (df) from July 1, 2023, to July 1, 2027, and make modifications for the service provider contract to continue until the new sunset date.

I am partially vetoing section 51 [as it relates to s. 20.255 (3) (df)] and vetoing the remaining sections in their entirety because I object to extending the existing sunset date on this program before the compiled annual reports regarding the program are submitted to the Legislature and made public. The program, which aims to provide prekindergarten online instruction in six school districts, has seen lower than expected participation and had less than 20 percent of children complete the final assessment in the only year in which that data is available. If the participating school districts find sufficient value from services provided by the contracted program administrator, they may utilize their significantly increased revenue limit authority to support such services in the future.

Cited segments of 2023 Senate Bill 70:

SECTION 51. 20.005 (3) of the statutes is repealed and recreated to read:

20.255 Public Instruction, Department of

(3) AIDS TO LIBRARIES, INDIVIDUALS AND ORGANIZATIONS

(df) Online early learning program; grant

GPR	A	500,000	500,000
-----	---	---------	---------

Vetoed In Part

Vetoed In Part

SECTION 473. 2019 Wisconsin Act 170, section 4 (1) (b) is amended to read:

[2019 Wisconsin Act 170] Section 4 (1) (b) The department shall award, using a competitive request-for-proposals process, a contract to a service provider to administer an online early learning program to eligible children. The contract shall require the service provider to administer the online early learning program in the school districts described in par. (d) from July 1, 2020, to June 30, 2023.

[2019 Wisconsin Act 170] Section 4 (1) (dm) 1. In the 3rd school year of the contract under par. (b), the service provider awarded the contract under par. (b) may, after giving 1st preference to any eligible child who applies to participate in the online early learning program, extend administration of the online early learning program to children who satisfy the income eligibility criteria for a free or reduced-price lunch under 42 USC 1758 (b) (1) and who reside in school districts other than a school district described in par. (d). The service provider may use any remaining amounts paid under par. (c) 1. or provided under par. (c) 2. to extend administration of the online early learning program as provided under this subdivision.

Vetoed In Part

SECTION 474. 2019 Wisconsin Act 170, section 4 (1) (c) 2. is amended to read:

[2019 Wisconsin Act 170] Section 4 (1) (c) 2. A service provider awarded a contract under par. (b) shall provide a total of \$500,000 in matching funds during the 3 years of the contract.

SECTION 476. 2019 Wisconsin Act 170, section 5 (1) is amended to read:

SECTION 475. 2019 Wisconsin Act 170, section 4 (1) (dm) 1., as created by 2021 Wisconsin Act 215, section 1, is amended to read:

[2019 Wisconsin Act 170] Section 5 (1) The On July 1, 2027, the repeal of s. 20.255 (3) (df) takes effect on July 1, 2023.

5. Child Care Fund

Governor's written objections

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

These sections create a continuing appropriation for the Wisconsin Economic Development Corporation to create a revolving loan fund for child care providers. Separately, \$15,000,000 GPR was placed in the Joint Committee on Finance's supplemental appropriation for this purpose.

I am partially vetoing these sections to remove references to revolving loans because I object to limiting the Wisconsin Economic Development Corporation's flexibility in disbursing these funds to child care providers given the Legislature's refusal to make substantial investments to bolster our state's child care industry and help keep child care providers open to support our state's workforce. By partially vetoing these sections to remove references to revolving loans, any funding made available under this appropriation could be distributed as grants to child care providers instead of loans.

Wisconsin already has historically low unemployment and historically high workforce participation. Child care is an essential part of keeping workers in our state's workforce, which is critical to maintaining our state's economic momentum. As a result of the Legislature's inaction, more working families will struggle to find and afford quality child care, workers who cannot find or afford child care will be forced to leave our workforce, and employers will continue to struggle to retain and recruit workers across our state, especially in our rural communities.

I recommended providing more than \$303 million GPR over the biennium to address the longstanding, structural challenges of the child care industry in Wisconsin by continuing the successful Child Care Counts program. Investing in child care is what is best for our kids, it is what is best for our families, and it is also what is best for our state's workforce.

The Legislature’s decision to include less than a fraction of what I proposed to stabilize our child care industry for a revolving loan fund suggests a fundamental lack of appreciation for and understanding of the magnitude of the child care crisis facing our state and its implications for our state’s workforce and our economy. By some estimates, failing to provide the necessary state funds to continue Child Care Counts will affect tens of thousands of Wisconsin’s kids, could cause thousands of child care programs to close, and could result in hundreds of millions of dollars in losses to our workforce and economy. Given this, the Wisconsin Economic Development Corporation should have flexibility to utilize these funds in the way that will be most helpful to addressing our child care crisis.

While my actions today improve the Legislature’s minimal effort, I also want to be clear: this is not a long-term solution to our state’s longstanding child care crisis. The Legislature’s work during this biennium to meaningfully support our state’s child care industry remains incomplete.

Cited segments of 2023 Senate Bill 70:

SECTION 51. 20.005 (3) of the statutes is repealed and recreated to read:

20.192 Wisconsin Economic Development Corporation

(1) PROMOTION OF ECONOMIC DEVELOPMENT

(bn) Child care revolving loan fund GPR A -0- -0-

**Vetoed
In Part**

SECTION 61. 20.192 (1) (bn) of the statutes is created to read:

20.192 (1) (bn) *Child care revolving loan fund.* As a continuing appropriation, the amounts in the schedule for a revolving loan fund for child care providers.

**Vetoed
In Part**

6. REWARD Bonuses

Governor’s written objections

Section 282c

This section specifies that the additional \$5,000,000 allocated for child care quality initiatives be spent on bonuses to child care workers under the REWARD program. Under current law, the Department of Children and Families has the flexibility to distribute funding between the child care scholarship program (TEACH) and the child care bonus program (REWARD) as needed.

I am vetoing this section because I object to placing additional constraints on the department in administering the TEACH and REWARD programs. Given the Legislature’s failure to meaningfully address Wisconsin’s child care needs, it is essential that the department have as much flexibility as possible with the funding available for child care related purposes. By vetoing this section, the department will have the necessary flexibility to use the new funding and base funding for both the TEACH and REWARD programs as needed to best retain early childhood educators.

Cited segments of 2023 Senate Bill 70:

SECTION 282c. 49.155 (1g) (ac) of the statutes is amended to read:

49.155 (1g) (ac) A child care scholarship and bonus program, in the amount of at least \$3,975,000 per fiscal year. In fiscal year 2024–25, an additional five million dollars for a child care bonus program.

**Vetoed
In Part**

B. STRENGTHENING OUR ECONOMY & FUTURE WORKFORCE

7. Individual Income Tax Rate Reduction

Governor’s written objections

Sections 328, 329, 332, 333, 336, and 337

These sections reduce the individual income tax rates in the third and fourth income tax brackets from 5.30 percent to 4.40 percent and 7.65 percent to 6.50 percent, respectively, effective with tax year 2023.

I am vetoing these sections because I object to the Legislature’s chosen course of action on individual income taxes on multiple grounds. First, states receiving federal funding under the State and Local Fiscal Recovery Fund (SLFRF) of the American Rescue Plan Act of 2021 are prohibited from utilizing these funds to either directly or indirectly offset tax reductions. The income tax proposal forwarded to me could result in the state having to repay billions of dollars it received under from the SLFRF, which is a risk to the state that I am unwilling to take.

Second, their plan is focused heavily on cuts benefiting the wealthiest individuals in our state as roughly one-half of their proposed tax cut would go to filers with incomes above \$200,000. The Legislature did this while ignoring my recommendations to provide over \$1.2 billion over the biennium of targeted income tax relief to the true middle-class as well as to family caregivers, veterans with disabilities, seniors who can no longer claim the Homestead Credit, and hard-working but low-wage earners who can no longer claim the Earned Income Tax Credit.

Third, this approach is fiscally irresponsible going forward and would put Wisconsin in a position where we would almost certainly have to reduce current funding and ongoing commitments to our schools, healthcare providers, local municipalities, and many other priorities in the next budget.

While my vetoes eliminate the Legislature’s tax cuts for the top two individual income tax brackets, my action preserves the tax cuts in the bottom two brackets, with the rate on the lowest bracket dropping from 3.54 percent to 3.50 percent and the second bracket dropping from 4.65 percent to 4.40 percent. By enacting the tax cuts for the bottom two tax brackets into law, the cumulative annual amount of responsible individual income tax reductions that I have enacted since being sworn in as Governor has increased to \$1.5 billion annually.

The fiscal effect of this veto is an increase in general fund tax revenue of \$1,402,500,000 in fiscal year 2023–24 and \$1,333,600,000 in fiscal year 2024–25.

Cited segments of 2023 Senate Bill 70:

Vetoed
In Part

SECTION 328. 71.06 (1q) (c) of the statutes is amended to read:

71.06 (1q) (c) On all taxable income exceeding \$15,000 but not exceeding \$225,000, 6.27 percent, except that for taxable years beginning after December 31, 2020, 5.30 percent, less ninety hundredths for taxable years beginning after December 2022.

SECTION 329. 71.06 (1q) (d) of the statutes is amended to read:

71.06 (1q) (d) On all taxable income exceeding \$225,000, 7.65 percent, except that the rate is 6.50 percent for taxable years beginning after December 2022.

Vetoed
In Part

SECTION 332. 71.06 (2) (i) 3. of the statutes is amended to read:

71.06 (2) (i) 3. On all taxable income exceeding \$20,000 but not exceeding \$300,000, 6.27 percent, except that for taxable years beginning after December 31, 2020, 5.30 percent, less ninety hundredths for taxable years beginning after December 2022.

SECTION 333. 71.06 (2) (i) 4. of the statutes is amended to read:

71.06 (2) (i) 4. On all taxable income exceeding \$300,000, 7.65 percent, except that the rate is 6.50 percent for taxable years beginning after December 2022.

SECTION 336. 71.06 (2) (j) 3. of the statutes is amended to read:

71.06 (2) (j) 3. On all taxable income exceeding \$10,000 but not exceeding \$150,000, 6.27 percent,

Vetoed
In Part

Vetoed
In Part

**Vetoed
In Part**

except that for taxable years beginning after December 31, 2020, 5.30 percent, less ninety hundredths for taxable years beginning after December 2022.
SECTION 337. 71.06 (2) (j) 4. of the statutes is amended to read:

71.06 (2) (j) 4. On all taxable income exceeding \$150,000, 7.65 percent, except that the rate is 6.50 percent for taxable years beginning after December 2022.

**Vetoed
In Part**

8. Withholding Table Update

Governor’s written objections

Section 9137

This section requires the Department of Revenue to update individual income tax withholding tables to reflect the tax rates, income brackets, and sliding scale standard deduction that are in effect for taxable year 2024. The adjustments made under this section would take effect on January 1, 2024. The withholding table update would therefore reflect the rate reductions included in the 2023–25 biennial budget and indexing adjustments to both income tax brackets and the sliding scale standard deduction.

I am vetoing this section in its entirety because I object to legislatively directing the Department of Revenue to make these withholding table adjustments, as adjusting the withholding tables is already within its authority. This veto does not change anyone’s tax liability. The secretary of the Department of Revenue has the ability under current law to make these adjustments as appropriate and will assess whether and when these updates should be made within the full context of revenue collection trends and other state priorities, as was done with the reduction in taxes in the 2021–23 biennium. The estimated fiscal effect of this veto is an increase in general fund tax revenues of \$603,400,000 in fiscal year 2023–24.

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part**

SECTION 9137. Nonstatutory provisions; Revenue.
(1) INDIVIDUAL INCOME TAX WITHHOLDING TABLE ADJUSTMENTS. No later than October 1, 2023, the department of revenue shall update the individual income tax withholding tables under s. 71.64 (9) to reflect the tax

rates, brackets, and sliding scale standard deduction that are in effect for taxable year 2024. The adjustments made under this subsection to the withholding tables shall take effect on January 1, 2024.

**Vetoed
In Part**

9. Fund of Funds Program

Governor’s written objections

Sections 31, 32, 33, and 35

These sections require the fund of funds program to repay the additional \$25 million provided to the fund of funds program under the bill and, thereafter, to pay 90 percent of gross investment returns for deposit in the general fund. Additionally, these sections require the Department of Administration to submit a report by March 1, 2024, assessing program performance and recommendations for improvement.

I am vetoing these sections because I object to payments that reduce the balance of assets available to the fund of funds for investment. These payments may undermine efforts to attract additional co-investors in the fund of funds program if such investors do not have confidence that the program will be able to continue into the future. Allowing the program to retain and reinvest the funds will improve the state’s venture capital ecosystem and support increases in start-up funding across Wisconsin. Further, I object to the additional reporting requirement, since comprehensive reports under the current program were submitted in 2015 and 2018, and the program provides quarterly reports under current law.

Cited segments of 2023 Senate Bill 70:

Vetoed In Part

SECTION 31. 16.295 (6) (d) of the statutes is created to read:

16.295 (6) (d) The investment manager shall hold in an escrow account its gross proceeds from all investments of the moneys designated under sub. (5) (b) 4. until the investment manager satisfies par. (e).

SECTION 32. 16.295 (6) (e) of the statutes is created to read:

16.295 (6) (e) At least annually, the investment manager shall pay any moneys held under par. (d) to the secretary for deposit into the general fund until the investment manager has paid a total of \$25,000,000 under this paragraph.

SECTION 33. 16.295 (6) (f) of the statutes is created to read:

16.295 (6) (f) After the investment manager satisfies par. (e), the investment manager shall pay 90 percent of its gross proceeds from investments of the moneys designated under sub. (5) (b) 4. to the secretary for deposit into the general fund.

SECTION 35. 16.295 (8) (intro.) of the statutes is amended to read:

16.295 (8) PROGRESS REPORTS. (intro.) In 2015 and 2018, and 2024, no later than March 1, the department shall submit reports to the joint committee on finance that include all of the following:

Vetoed In Part

Vetoed In Part

10. Diversity, Equity, and Inclusion Positions

Governor’s written objections

Section 9147 (1)

This section requires that 188.80 FTE GPR positions performing functions related to diversity, equity, and inclusion be deauthorized for the Board of Regents of the University of Wisconsin System.

I am vetoing this section because I object to this infringement on the Board of Regents’ authority to manage the University of Wisconsin System and believe it is in the state’s best interests to allow the system to preserve and continue its dedication to diversity, equity, and inclusion as it sees fit.

The Board of Regents is not an extension of any branch of government or political party; the Regents have long been entrusted with the independence and autonomy to not only make the decisions that are best for our students and our campuses but to protect the institutions that have defined our state for generations.

These positions function to improve the University of Wisconsin experience for all and work to help students, staff, and faculty from all backgrounds and experiences reach their full potential. Importantly, the University of Wisconsin System and the Board of Regents are also not alone in this important work—their commitments and efforts relating to diversity, equity, and inclusion mirror those that have been heralded by the private sector and corporate industry for years, including by business leaders and chambers of commerce in Wisconsin.

At a time when our University of Wisconsin System’s enrollment is already declining as our state faces historically low unemployment and historically high workforce participation, the Legislature should be focused on efforts and investments that will support retaining and recruiting talented workers. This is a step in the opposite direction.

As a result of this veto, the Board of Regents retains position authority for these 188.80 FTE GPR positions performing functions related to diversity, equity, and inclusion at campuses across the University of Wisconsin System.

Cited segments of 2023 Senate Bill 70:

Vetoed In Part

SECTION 9147. Nonstatutory provisions; University of Wisconsin System.

(1) POSITIONS RELATED TO DIVERSITY, EQUITY, AND INCLUSION. The 188.80 FTE positions for the Board of Regents of the University of Wisconsin System that were

funded from s. 20.285 (1) (a) in fiscal year 2022–23 and that are deauthorized on the effective date of this subsection shall be positions that perform functions related to diversity, equity, and inclusion.

Vetoed In Part

11. Washington County Branch Campus Transition

Governor’s written objections

Sections 51 [as it relates to s. 20.865 (4) (a)] and 9147 (2)

These sections provide \$3,350,000 GPR in fiscal year 2023–24 in the Joint Committee on Finance’s supplemental appropriation for release to the University of Wisconsin System after it develops and submits a plan to the Joint Committee on Finance to restructure the University of Wisconsin–Milwaukee at Washington County branch campus. Specifically, the plan would transition the Washington County branch campus to a joint operation of Washington County and the Moraine Park Technical College district board, rather than a University of Wisconsin System campus.

I am partially vetoing section 51 [as it relates to s. 20.865 (4) (a)] by lining out the amount under s. 20.865 (4) (a) and writing in a smaller amount that reduces the appropriation by \$3,350,000 in fiscal year 2023–24, and vetoing section 9147 (2) to remove the plan requirement. I object to the Legislature singling out only one of our state’s branch campuses when many campuses are facing challenges, in part due to the Legislature’s repeated failure to provide an adequate level of funding for the University of Wisconsin System. I further object to the Legislature determining a matter that is within the purview of the discretion and responsibility of the University of Wisconsin Board of Regents and the University of Wisconsin–Milwaukee, as well as the Wisconsin Technical College System Board and Moraine Park Technical College. As a result of this veto, these entities may collaborate if they so choose, but they will not be treated differently than other counties or campuses. I further request that the Department of Administration secretary not allot these funds.

Cited segments of 2023 Senate Bill 70:

SECTION 51. 20.005 (3) of the statutes is repealed and recreated to read:

20.865 Program Supplements

(4) JOINT COMMITTEE ON FINANCE SUPPLEMENTAL APPROPRIATIONS

(a) General purpose revenue funds		216,790,500			
general program supplementation	GPR	B	213,440,500	20,349,100	

**Vetoed
In Part**

SECTION 9147. Nonstatutory provisions; University of Wisconsin System.

(2) TRANSITION OF THE UNIVERSITY OF WISCONSIN–MILWAUKEE AT WASHINGTON COUNTY BRANCH CAMPUS. The University of Wisconsin System shall in the 2023–24 fiscal year develop and submit to the joint committee on finance a plan for the transition of the University of Wis-

consin–Milwaukee at Washington County branch campus from the University of Wisconsin System to a joint operation of Washington County and the Moraine Park Technical College district board and a request for funds for that plan. The plan shall include information regarding matching funds provided by Washington County and private donations.

**Vetoed
In Part**

**Vetoed
In Part**

12. Visit Milwaukee Earmark

Governor’s written objections

Section 9143 (3)

This provision requires the Department of Tourism to award a grant of \$10 million GPR in fiscal year 2023–24 to the Greater Milwaukee Convention & Visitors Bureau, Inc., also known as “Visit Milwaukee.” Funding for the grant is provided in the department’s appropriation under s. 20.380 (1) (b).

I am partially vetoing this provision because I object to the Legislature providing this level of funding to Visit Milwaukee when they have failed to adequately fund so many important priorities for our state, from child care to higher education.

As vetoed, this provision requires a grant of \$1,000,000 to Visit Milwaukee, instead of \$10,000,000; retains the remaining \$9,000,000 for general marketing purposes; and removes the requirement of awarding the grant in fiscal year 2023–24. This will provide greater flexibility to the department to use its expertise to maximize available funding to increase tourism. By engaging individuals with Wisconsin’s many entertainment and recreational options throughout the state, we will raise Wisconsin’s profile across the country as a premier business, cultural, and recreational destination.

Cited segments of 2023 Senate Bill 70:

SECTION 9143. Nonstatutory provisions; Tourism.

(3) GRANT TO THE GREATER MILWAUKEE CONVENTION & VISITORS BUREAU, INC. From the appropriation under s. 20.380 (1) (b), in fiscal year 2023–24, the department

of tourism shall award a grant to the Greater Milwaukee Convention & Visitors Bureau, Inc., also known as Visit Milwaukee, for purposes consistent with s. 41.11 (4). The grant shall be in the amount of \$10,000,000.

**Vetoed
In Part**

**Vetoed
In Part**

13. Talent Attraction and Retention Initiatives

Governor’s written objections

Section 9149

This section creates a requirement specifying that the Wisconsin Economic Development Corporation (WEDC) must expend at least \$4,000,000 during the 2023–25 biennium from its existing appropriations on initiatives for talent attraction and retention, of which \$2,000,000 must be expended in consultation with the Department of Veterans Affairs for the attraction and retention of veterans in Wisconsin’s workforce. Additionally, this section requires WEDC to evaluate and report program outcomes related to these talent attraction and retention initiatives 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, relating to fiscal year 2023–24, and on or before September 1, 2025, relating to fiscal year 2024–25.

I am vetoing this section because I object to the Legislature restricting WEDC in program areas where it already makes such investments and has full authority to collaborate with state agencies, including the Department of Veterans Affairs.

Addressing our state’s longstanding workforce challenges is a top priority for my administration, as was reflected in my recommendations and investments in this biennial budget, many of which the Legislature removed. Thankfully, WEDC, the Department of Workforce Development, and the Department of Veterans Affairs have not sat around idly, awaiting the Legislature’s directive to conduct talent and attraction efforts or implement efforts to support veterans in our workforce—this is work we have been doing for some time without prompting by the Legislature. If the Legislature were serious about supporting my administration’s ongoing efforts to meaningfully address our state’s workforce challenges and retain and recruit talented workers, they would provide new funding to expand and bolster these very efforts.

Talent attraction and retention will continue to remain a top priority for my entire administration, and this veto will allow WEDC to continue its efforts with more flexibility and collaboration in its approach than it would have had under the requirements proposed by the Legislature. I further object to these requirements because they ignore the important assistance to veterans provided by the Department of Workforce Development. With its existing funding and authority, I expect WEDC to continue to work on vital talent attraction and retention initiatives, including those aimed at attracting and retaining veterans. Additionally, I object to the creation of an unnecessary reporting requirement by the Legislature.

Cited segments of 2023 Senate Bill 70:

SECTION 9149. Nonstatutory provisions; Wisconsin Economic Development Corporation.

(1) TALENT ATTRACTION AND RETENTION INITIATIVES.
(a) *Expenditures.* In the 2023–25 fiscal biennium, the Wisconsin Economic Development Corporation

shall expend at least \$4,000,000 from the appropriations under s. 20.192 (1) (a) and (r) on initiatives for the attraction of talent to and retention of talent in this state under s. 238.155.

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

(b) *Veterans initiatives.* Of the moneys expended under par. (a), the Wisconsin Economic Development Corporation, in consultation with the department of veterans affairs, shall expend at least \$2,000,000 on initiatives for the attraction of veterans to and retention of veterans in this state’s workforce.

(c) *Program evaluation and reports.* The Wisconsin Economic Development Corporation shall evaluate its talent attraction and retention initiatives under s. 238.155, including program outcomes and the number of

veterans discharged on or after July 1, 2023, who choose this state for their first move; and the corporation shall report its findings in the manner provided under s. 13.172 (3) to the assembly committee on jobs, economy and small business development or its successor and the senate committee on economic development and technical colleges or its successor on or before September 1, 2024, with respect to the 2023–24 fiscal year and on or before September 1, 2025, with respect to the 2024–25 fiscal year.

**Vetoed
In Part**

14. Vibrant Spaces Grant Program

Governor’s written objections

Section 436

This section prohibits the Wisconsin Economic Development Corporation (WEDC) from expending its funds on the Vibrant Spaces Grant program, as constituted under WEDC’s policies and procedures on May 1, 2023, or any similar program.

I am vetoing this section because I object to the Legislature’s micromanaging of WEDC activities. Programs developed and administered by WEDC are approved by its board of directors, which includes members of the Legislature. If the board wishes to approve or deny any specific program proposed by WEDC, the board has the ability to do so.

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part**

SECTION 436. 238.157 of the statutes is created to read:

238.157 Vibrant spaces grant program; prohibition. The corporation is prohibited from expending any

moneys from the appropriation under s. 20.192 (1) (a) or (r) for a vibrant spaces grant program as constituted under the corporation’s policies and procedures on May 1, 2023, or any similar program.

**Vetoed
In Part**

C. SUPPORTING HEALTHIER WISCONSINITES

15. Medicaid Coverage of Gender–Affirming Care

Governor’s written objections

Sections 308, 309, 310, and 311

These sections prohibit, to the extent permitted by federal law, Medicaid payment for puberty–blocking medicine used for the purposes of gender dysphoria or gender transition and gender–affirming surgery.

I am vetoing these sections because I object to perpetuating hateful, discriminatory, and anti–LGBTQ policies and rhetoric, including those targeted at the transgender and gender nonconforming community. Gender–affirming care for transgender and gender nonconforming people with gender dysphoria is recognized as the standard treatment by most major medical associations. Reducing access to gender–affirming care would only magnify the inequities in health outcomes already faced by the LGBTQ community. I support LGBTQ Wisconsinites and will continue to do everything in my power to protect their rights and keep them safe.

Cited segments of 2023 Senate Bill 70:

Vetoed
In Part

SECTION 308. 49.46 (2) (f) of the statutes is renumbered 49.46 (2) (f) (intro.) and amended to read:

49.46 (2) (f) (intro.) Benefits under this subsection may not include payment for gastric any of the following:

1. Gastric bypass surgery or gastric stapling surgery unless it is performed because of a medical emergency.

SECTION 309. 49.46 (2) (f) 2. of the statutes is created to read:

49.46 (2) (f) 2. To the extent permitted by federal law, either of the following:

a. Puberty-blocking drugs used for the purposes of gender dysphoria or gender transition.

b. Gender reassignment surgery.

SECTION 310. 49.471 (6) (j) 4. of the statutes is amended to read:

49.471 (6) (j) 4. Section 49.46 (2) (f) 1., relating to prohibiting payment for gastric bypass or stapling surgery.

SECTION 311. 49.471 (6) (j) 5. of the statutes is created to read:

49.471 (6) (j) 5. Section 49.46 (2) (f) 2., relating to prohibiting payment for either of the following:

a. Puberty-blocking drugs used for the purposes of gender dysphoria or gender transition.

b. Gender reassignment surgery.

Vetoed
In Part

16. Housing Rehabilitation

Governor's written objections

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

These sections create GPR continuing appropriations for the Wisconsin Housing and Economic Development Authority (WHEDA) to create revolving loan funds, including one for housing rehabilitation projects.

I am partially vetoing these sections because I object to the Legislature providing funding for housing rehabilitation only through a revolving loan program rather than as a grant or a forgivable loan program. Unlike the other housing-related revolving loan programs that the Legislature funded in this bill, this program is targeted to homeowners and not developers. These homeowners already struggle to afford rehabilitation or renovation projects in their homes to deal with lead, mold, and other safety or structural issues. By partially vetoing these sections, the funds in the appropriation could be distributed as grants or forgivable loans to homeowners that WHEDA determines most need the assistance.

Cited segments of 2023 Senate Bill 70:

SECTION 51. 20.005 (3) of the statutes is repealed and recreated to read:

20.490 Wisconsin Housing and Economic Development Authority

(6) WORKFORCE HOUSING REHABILITATION

(d) Housing rehabilitation <u>loan fund</u>	GPR	C	50,000,000	-0-
---	-----	---	------------	-----

Vetoed
In Part

SECTION 134. 20.490 (6) of the statutes is created to read:

into the residential housing infrastructure revolving loan fund under s. 234.66 (2).

Vetoed
In Part

20.490 (6) REVOLVING LOAN FUNDS. (am) Residential housing infrastructure revolving loan fund. As a continuing appropriation, the amounts in the schedule for deposit

(d) Housing rehabilitation loan fund. As a continuing appropriation, the amounts in the schedule for deposit into the housing rehabilitation loan fund under s. 234.53 .

Vetoed
In Part

17. Family Care Managed Care Organizations Report

Governor’s written objections

Section 244

This section requires the Department of Health Services to collect and make publicly available the financial summaries of the managed care organizations for the Family Care program, the Family Care Partnership program, and the Program for the All-Inclusive Care for the Elderly. Specifically, the department is required to report the executive leadership salaries for the organizations, as well as the amounts retrieved by the state under the contractual risk corridors.

The section further requires 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. Finally, the section requires the department to report this information to the Joint Committee on Finance by April 1 of each year.

I am vetoing this section because I object to the Legislature dictating this level of specificity in statute, and because I object to imposing these administratively burdensome requirements on the department. Finally, I object to the Legislature not providing any resources for the department to perform this work.

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part**

SECTION 244. 46.281 (5) of the statutes is created to read:

46.281 (5) REPORTING. (a) The department shall include all of the following in publicly available financial summaries of the managed care organizations for the family care benefit, the Family Care Partnership program, and the program for all-inclusive care for the elderly operating under 42 USC 1396u-4:

- 1. Executive leadership salaries.
- 2. Amounts retrieved by the state under contractual risk corridors.

(b) The managed care organizations for the family care benefit, the Family Care Partnership program, and

the program for all-inclusive care for the elderly operating under 42 USC 1396u-4 shall track and report to the department the total authorized and total provided care plan hours by service category under the family care benefit, the Family Care Partnership program, and the program for all-inclusive care for the elderly operating under 42 USC 1396u-4. By April 1 of each year, the department shall submit to the joint committee on finance a report containing the total authorized and total provided care plan hours by service category under the family care benefit, the Family Care Partnership program, and the program for all-inclusive care for the elderly operating under 42 USC 1396u-4.

**Vetoed
In Part**

18. Newborn Screening Program Card Fee

Governor’s written objections

Section 438m

This section specifies that the newborn screening card fee imposed by the Department of Health Services cannot be less than \$159.25. This section also requires that at least \$110.75 from each newborn screening card sold be credited to the Wisconsin State Laboratory of Hygiene.

I object to this section because the fee increase does not meet the funding needs of the newborn screening program and does not distribute the revenues collected equitably between the two agencies. I am, therefore, partially vetoing this section to increase the minimum newborn screening card fee to \$195 and to specify that at least \$75 from each newborn screening card sold be credited to the Wisconsin State Laboratory of Hygiene. Newborn screening is an important tool in caring for our youngest Wisconsinites, and it is important that the program have an adequate level of funding. As a result of this veto, the amount of the fee will be closer to reflecting the needs of the program. I am also directing the Department of Health Services to work with the Wisconsin State Laboratory of Hygiene to determine an appropriate total fee to meet the needs of both agencies, as well as determining the share of the fee to be credited to the Wisconsin State Laboratory of Hygiene.

Cited segments of 2023 Senate Bill 70:

SECTION 438m. 253.13 (2) of the statutes is amended to read:

253.13 (2) TESTS; DIAGNOSTIC, DIETARY AND FOLLOW-UP COUNSELING PROGRAM; FEES. The department shall contract with the state laboratory of hygiene to perform any tests under this section that are laboratory tests and to furnish materials for use in the tests. The department shall provide necessary diagnostic services, special dietary treatment as prescribed by a physician for a patient with a congenital disorder as identified by tests under this section, and follow-up counseling for the patient and his or her family. The department shall impose a fee, by rule, for tests performed under this section sufficient to pay for services provided under the contract. The department shall include as part of the fee

established by rule amounts to fund the provision of diagnostic and counseling services, special dietary treatment, and periodic evaluation of infant screening programs, the costs of consulting with experts under sub. (5), the costs of administering the hearing screening program under s. 253.115, and the costs of administering the congenital disorder program under this section and, except as otherwise provided in this subsection, shall credit these amounts to the appropriation accounts under s. 20.435 (1) (ja) and (jb). Beginning on the effective date of this subsection [LRB inserts date], the fee imposed by the department under this subsection cannot be less than \$159.25. At least \$110.75 of this amount shall be credited to the appropriation account under s. 20.285 (1) (i).

**Vetoed
In Part**

19. Study for a Master Plan for the Veterans Homes

Governor’s written objections

Section 9148 (1)

This section requires the Department of Veterans Affairs to contract with an entity during the 2023–25 biennium to complete a study of the Wisconsin Veterans Home campus at King. The study is intended to provide a framework to guide decision making at King and must be completed by January 1, 2025.

I am partially vetoing this section to remove the specific reference to the campus at King because I object to the limited nature of the study. In my budget, I proposed a comprehensive analysis of the long-term care needs of all Wisconsin veterans, not just those who may choose to live at King. My partial veto will allow the department to complete a more thorough review of the needs of our veterans homes, which will include but is not limited to a plan for the King campus.

Cited segments of 2023 Senate Bill 70:

SECTION 9148. Nonstatutory provisions; Veterans Affairs.

(1) STUDY FOR A MASTER PLAN FOR ~~THE~~ WISCONSIN VETERANS HOME ~~AT KING~~. From the appropriation under s. 20.485 (2) (u), during the 2023–25 fiscal biennium the department of veterans affairs shall contract with a ven-

dor to study ~~the campus of the~~ Wisconsin Veterans Home ~~at King~~. The study shall provide a framework to guide decision making for future operations and development ~~on the campus of the Wisconsin Veterans Home at King~~. The study shall be completed before January 1, 2025.

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

20. Medical College of Wisconsin Psychiatry and Behavioral Health Residency Program Reporting Requirements

Governor’s written objections

Section 1

This section requires the Medical College of Wisconsin to include in its biennial report to the Governor and Legislature program data for its newly created Psychiatry and Behavioral Health Residency Program.

I am vetoing this section because I object to adding requirements to a report that is already administratively burdensome.

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part**

SECTION 1. 13.106 (3) (d) of the statutes is created to read:

13.106 (3) (d) For the Medical College of Wisconsin, all of the following:

1. The financial status of the psychiatry and behavioral health practice residency sites.

2. The number of psychiatry and behavioral health residents choosing to practice in medically underserved areas of the state upon graduation.

3. The number of graduates entering psychiatry and behavioral health practice as a career.

**Vetoed
In Part**

D. BUILDING STRONG, SAFE COMMUNITIES

21. Grants for Local Projects

Governor’s written objections

Section 8

This section establishes criteria for the disbursement of \$50,000,000 pertaining to grants for local projects under a grant program established and operated by the State Building Commission.

I am partially vetoing this section because I object to imposing unnecessary administrative burdens, limitations, and steps on the program. I am partially vetoing this section to remove the requirement for approval by the Joint Committee on Finance because it adds an additional and administratively burdensome step to the existing and long relied upon process of evaluation of the State Building Program, including release of non-state grants, through the State Building Commission. I am also partially vetoing this section to remove the requirement that a grant administered under this program should not exceed \$4,000,000 because it will severely inhibit the scope and economic opportunities of projects under this program and is not in line with the past practice of the state with regard to the amounts awarded to past non-state grant recipients. Finally, I am partially vetoing this section to remove the requirement that grants be submitted to the State Building Commission on behalf of a nonstate entity applicant by the municipality in which the construction project is or will be located because it will insert an unnecessary step in the grant awarding process and this requirement is inconsistent with State Building Commission past practice.

Cited segments of 2023 Senate Bill 70:

SECTION 8. 13.48 (20v) of the statutes is created to read:

13.48 (20v) GRANTS FOR LOCAL PROJECTS. (a) The building commission shall establish and operate a grant program under this subsection to assist nonstate organizations to carry out construction projects having a state-

wide public purpose. The building commission is prohibited from awarding a grant for a construction project under this subsection unless the joint committee on finance both approves the grant and finds that the project is in the public interest and serves one or more statewide public purposes.

**Vetoed
In Part**

**Vetoed
In Part**

(b) From the appropriation under s. 20.867 (3) (x), the building commission may award a grant to any non-state organization for a construction project that satisfies par. (a). **The municipality, as defined in s. 59.001 (3), in which the construction project is or will be located shall apply to the building commission for the grant on behalf of the nonstate organization carrying out the construction project.**

(c) **No grant awarded under par. (b) may exceed \$4,000,000.** Before approving each grant, the building commission shall determine that the nonstate organization carrying out the project has secured additional funding for the project from nonstate revenue sources in an amount that is equal to at least half of the total cost of the project.

**Vetoed
In Part**

22. Type 1 Juvenile Correctional Facility and the National Guard Challenge Academy

Governor’s written objections

Section 9104 (8) and (9)

These provisions allocate funding for a new Type 1 Juvenile Correctional Facility and the Wisconsin National Guard Challenge Academy.

I am partially vetoing these provisions to remove the gross square footage specifications because I object to preemptively requiring a metric, such as a specific gross square footage, in the early stages of construction design. Including this metric in the bill is not consistent with prior budget acts.

Cited segments of 2023 Senate Bill 70:

SECTION 9104. Nonstatutory provisions; Building Commission.

(8) DESIGN WORK ON A NEW TYPE 1 JUVENILE CORRECTIONAL FACILITY. In the 2023–25 fiscal biennium, the building commission shall allocate in 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, as defined in s. 938.02 (19), \$6,000,000.

(9) DESIGN WORK ON THE WISCONSIN NATIONAL GUARD CHALLENGE ACADEMY AT FORT MCCOY. In the 2023–25 fiscal biennium, the building commission shall allocate in segregated revenue, 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.

**Vetoed
In Part**

**Vetoed
In Part**

23. State Capitol Fiber and Cable Upgrades

Governor’s written objections

Section 9104 (11)

This provision allocates funding to develop plans and specifications for fiber and cable upgrades at the State Capitol.

I am partially vetoing this provision because the Department of Administration is already working with the chief clerk of each house of the Legislature and the Legislative Technology Services Bureau in developing plans and specifications for the project. I object to specifying this requirement in the bill because it is not necessary.

Cited segments of 2023 Senate Bill 70:

SECTION 9104. Nonstatutory provisions; Building Commission.

(11) STATE CAPITOL FIBER AND CABLE UPGRADES. In the 2023–25 fiscal biennium, the building commission shall allocate in segregated revenue, to develop preliminary plans and specifications for fiber and cable upgrades

at the state capitol, \$1,200,000. The division of facilities development in the department of administration shall coordinate with the chief clerk of each house of the legislature and the legislative technology services bureau in developing those plans and specifications.

**Vetoed
In Part**

24. Lac Courte Oreilles Decision – Aid Payments

Governor’s written objections

Sections 152, 163, 164, and 9451

These sections create two annual PR appropriations to make payments to counties impacted by the 2022 federal court decision that exempted from property taxes property covered under the 1854 Treaty of La Pointe that is owned by a Tribe or Tribal member within certain reservations in Wisconsin, regardless of any prior non-Tribal ownership. Included in these sections is a provision that sunsets the two PR appropriations created for the purpose of disbursing these payments on July 1, 2025. A separate provision in the budget bill places \$3,613,000 in the Joint Committee on Finance PR supplemental appropriation from which funds may be allocated for making these payments.

I am partially vetoing section 163 to remove the provision that restricts the payments to only counties because I object to excluding municipalities impacted by the federal court decision from the opportunity to receive aid payments. I have heard from local elected officials who are impacted by this court decision, and I believe it is important to maintain flexibility as we continue conversations with local stakeholders on the best way to address both local needs and the impact on property taxpayers. I am also vetoing sections 152, 164, and 9451 that sunset the two appropriations on July 1, 2025, because I object to unnecessarily limiting the availability of the funds to the 2023–25 biennium. With my vetoes, the state will have flexibility to potentially provide assistance to both counties and municipalities, and the appropriation framework will remain in place to potentially allow these payments to continue beyond the 2023–25 biennium.

Cited segments of 2023 Senate Bill 70:

SECTION 152. 20.505 (8) (hm) 18m. of the statutes, as created by 2023 Wisconsin Act (this act), is repealed.

SECTION 163. 20.835 (1) (k) of the statutes is created to read:

20.835 (1) (k) *State aid; nontaxable tribal land.* The amounts in the schedule to make payments to counties to compensate for not being able to impose local general property taxes on real property exempt from taxation under the 1854 Treaty of La Pointe. All moneys transferred from the appropriation account under s. 20.505 (8)

(hm) 18m. shall be credited to this appropriation account. Notwithstanding s. 20.001 (3) (a), the unencumbered balance on June 30 of each year shall revert to the appropriation account under s. 20.505 (8) (hm).

SECTION 164. 20.835 (1) (k) of the statutes, as created by 2023 Wisconsin Act (this act), is repealed.

SECTION 9451. Effective dates; Other.

(1) STATE AID; NONTAXABLE TRIBAL LAND. The repeal of ss. 20.505 (8) (hm) 18m. and 20.835 (1) (k) takes effect on July 1, 2025.

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

25. Town of Sanborn Levy Limits

Governor’s written objections

Sections 315, 320, and 9144 (12)

These sections include provisions that prohibit the town of Sanborn from imposing a property tax levy above five mills, prohibit the town from requesting a chargeback of property tax refunds issued by the town, and remove the town’s ability to use the levy limit debt service exclusion for debt service on general obligation bonds issued after July 1, 2005.

I am vetoing these sections because I object to such distinct and constraining limits on local control for one specific municipality in perpetuity. While I share the concern regarding impacts to local property taxpayers, this approach of restricting local control may unnecessarily hinder the town of Sanborn’s flexibility to address its own unique fiscal circumstances as well as unanticipated future expenses needed to maintain quality of service for the local community. These decisions are best left to local residents and town officials who know best how to balance the needs of their own community.

Cited segments of 2023 Senate Bill 70:

Vetoed In Part	SECTION 315. 60.48 of the statutes is created to read: 60.48 Tax levy rate limitation. The town of Sanborn cannot impose a property tax levy at a rate that is greater than 5 mills.	related issuance costs or redemption premiums, authorized on or after July 1, 2005, and secured by the full faith and credit of the political subdivision. <u>The town of Sanborn is exempt from this subdivision.</u>	Vetoed In Part
Vetoed In Part	SECTION 320. 66.0602 (3) (d) 2. of the statutes is amended to read: 66.0602 (3) (d) 2. The limit otherwise applicable under this section does not apply to amounts levied by a political subdivision for the payment of any general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision, interest on outstanding obligations of the political subdivision, or the payment of	SECTION 9144. Nonstatutory provisions; Transportation. (12) REFUND AND CHARGE-BACK OF CERTAIN PROPERTY TAXES. Notwithstanding s. 74.41, the town of Sanborn in Ashland County cannot request a charge-back of property tax refunds issued by the town, pursuant to the decision in <i>Lac Courte Oreilles Band of Lake Superior Chippewa Indians of Wisconsin v. Evers</i> , 46 F.4th 552 (7th Cir. 2022), for tax years 2015 to 2021.	Vetoed In Part

26. Annual Transfer of Local Government Fund Balance

Governor’s written objections

Section 39 [as it relates to the creation of s. 16.5186 (3)]

This section requires the Department of Administration to transfer from the general fund to the newly created local government fund the funding amount for the innovation planning grants account and innovation account and an amount equal to 20 percent of sales and use taxes, which will fund new and existing shared revenue programs beginning in fiscal year 2024–25, as outlined under 2023 Wisconsin Act 12. The budget bill also specifies that, in fiscal year 2025–26 and thereafter, the amount transferred from the general fund to the local government fund for these programs will be equal to the amount transferred the year before, plus an amount necessary to allow both existing and supplemental county and municipal aid funding levels to increase by the percentage change in estimated sales tax collections.

This section also requires the Department of Administration to transfer back to the general fund the unencumbered balance of the local government fund at the end of each fiscal year (other than amounts credited to the innovation grants account, the innovation planning grants account, and a required reserve amount).

I am partially vetoing this section to remove the provision requiring the local government fund to transfer the unencumbered balance back to the general fund at the end of each fiscal year because I object to diverting any funds transferred to the local government fund away from our local governments. While the combination of 2023 Wisconsin Act 12 and this budget have resulted in historic investments in county and municipal aids, we should honor our commitment to send 20 percent of the state’s sales tax revenue back to local communities to support public safety, law enforcement, and other county and municipal needs. We should work together to invest these funds back into communities large and small across Wisconsin.

The fiscal effect of this veto is a reduction in GPR-earned of \$17,173,200 in fiscal year 2024–25 and an increase in the local government fund’s ending balance of this same dollar amount.

Cited segments of 2023 Senate Bill 70:

SECTION 39. 16.5186 of the statutes is created to read:

16.5186 Transfers involving the local government fund.

(3) On June 30, 2025, and on each June 30 thereafter, the secretary shall transfer the unencumbered balance of the local government fund other than amounts credited to

the innovation account of the local government fund under s. 25.491 (10) and the innovation planning grants account under s. 25.491 (11) in excess of 0.1 percent of the amounts deposited under s. 25.491 (1) (b) and (c) during that fiscal year, from the local government fund to the general fund.

**Vetoed
In Part**

**Vetoed
In Part**

27. Innovation Grants and Innovation Planning Grants Appropriations

Governor’s written objections

Sections 167 and 168

These sections create two continuing SEG appropriations for the distribution of innovation grants and innovation planning grants, created under 2023 Wisconsin Act 12 and funded from the newly created local government fund, to be awarded to counties and municipalities. Separate provisions of the budget bill transfer a total of \$303 million from the general fund to the local government fund to provide funding for these two appropriations. Included in these sections are provisions that require any unencumbered balances in these appropriations to lapse back to the general fund at the end of the fourth fiscal year after the date that the Department of Revenue has promulgated rules pertaining to these programs.

I am partially vetoing these sections to remove the provisions that lapse the unencumbered balances of both the innovation grants appropriation and the innovation planning grants appropriation back to the general fund because I object to depriving the local government fund of revenues that could be used to either extend these programs in the future or to increase other state aids to counties and municipalities. While the combination of 2023 Wisconsin Act 12 and this budget have made the first progress in increasing county and municipal aids in over 20 years, the needs of our local governments have not been fully addressed. Consequently, the unencumbered balances of the innovation grant and innovation planning grant appropriations should remain in the local government fund to provide the state with the necessary budget flexibility to address unmet county and municipal needs.

Cited segments of 2023 Senate Bill 70:

SECTION 167. 20.835 (1) (za) of the statutes is created to read:

20.835 (1) (za) *Innovation account.* From the local government fund, as a continuing appropriation, the amounts in the schedule to make the payments under s. 79.038 (1) (em). Notwithstanding s. 20.001 (3) (c), at the end of the 4th fiscal year after the date identified in the notice under 2023 Wisconsin Act 12, section 244 (1), the unencumbered balance of this appropriation account shall lapse to the general fund.

SECTION 168. 20.835 (1) (zb) of the statutes is created to read:

20.835 (1) (zb) *Innovation planning grants.* From the local government fund, as a continuing appropriation, the amounts in the schedule to make the payments under s. 79.038 (2) (b). Notwithstanding s. 20.001 (3) (c), at the end of the 4th fiscal year after the date identified in the notice under 2023 Wisconsin Act 12, section 244 (1), the unencumbered balance of this appropriation account shall lapse to the general fund.

**Vetoed
In Part**

**Vetoed
In Part**

28. Municipal Sales Tax Appropriation

Governor’s written objections

Section 156

This section creates a continuing PR appropriation under the Department of Revenue for the administration of municipal sales taxes. Under 2023 Wisconsin Act 12, the city of Milwaukee is allowed to adopt a 2.0 percent local sales tax if approved by two-thirds of the common council. This appropriation would receive 1.75 percent of the local sales tax collections in the city to support department costs associated with administering the local sales tax. Included in this section is a provision that requires any unencumbered balance in this appropriation to lapse to the general fund at the end of each fiscal year.

I am partially vetoing this section to remove the provision that lapses the unencumbered balance of the municipal sales tax administrative appropriation to the general fund. I am vetoing this lapse provision because I object to transferring local sales tax collections in excess of the department’s administrative costs within a state fiscal year to the general fund for an unspecified purpose. The city of Milwaukee sales tax has been authorized by the state for a specific purpose, namely to address Milwaukee’s significant and unique financial challenges. While it is reasonable for the state to receive funds necessary to accomplish its work administering this local sales tax, the state should not financially benefit from the city’s sales tax beyond the amount required for this work. These local sales tax dollars, paid locally in the community, should be returned to the city of Milwaukee for local purposes if they exceed the state’s administrative needs. As a result of my veto, unencumbered department administrative fee collections over the department’s costs will remain in this appropriation and thus could be later distributed to the city of Milwaukee for the purposes provided for this local tax under 2023 Wisconsin Act 12. The distribution of excess department administrative fee collections back to the local entity imposing the tax from which the fee is derived is consistent with the treatment of the Milwaukee exposition taxes, premier resort area taxes, and the previous football and baseball stadium taxes.

.....
Cited segments of 2023 Senate Bill 70:

SECTION 156. 20.566 (1) (gi) of the statutes is created to read:

20.566 (1) (gi) *Administration of municipality taxes.* From the moneys transferred from the appropriation account under s. 20.835 (4) (gi), the amounts in the schedule for administering the municipality taxes

imposed under s. 77.701. Notwithstanding s. 20.001 (3) (a), at the end of each fiscal year the unencumbered balance of this appropriation account lapses to the general fund.

**Vetoed
In Part**

29. Increases in Mileage Aid Payments

.....
Governor’s written objections

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

This section increases the mileage aid payments in the general transportation aids program to \$2,789 in calendar year 2024 and \$2,845 in calendar year 2025—thereby providing 2 percent increases to the mileage reimbursement rate in both of these calendar years. This section also includes 2 percent increases in calendar year 2024 and calendar year 2025 for the general transportation aids program for both counties and municipalities.

I am partially vetoing the section to delete the mileage aid payment increases because I object to providing further increases to mileage aid when the disparate impact of 2011 Wisconsin Act 32 on the mileage aid versus share of cost aid components of the general transportation aids formula remains unaddressed. The nearly 6.0 percent reduction signed into law by 2011 Wisconsin Act 32 fell entirely on share of cost awardees in the formula. As a result of my veto, this disparate treatment based on the formula component that a locality relies upon is reduced. My veto also retains the 2 percent increases in funding for both calendar year 2024 and calendar year 2025 for the general transportation aids program as provided by this section.

.....

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part**

SECTION 377m. 86.30 (2) (a) 3. and (9) (b) and (c) of the statutes are amended to read:

**Vetoed
In Part**

86.30 (2) (a) 3. For each mile of road or street under the jurisdiction of a municipality as determined under s. 86.302, the mileage aid payment shall be \$2,628 in

calendar years 2020 and 2021, \$2,681 in calendar year 2022, and \$2,734 in calendar year 2023. In calendar year 2024, the mileage aid payment shall be \$2,789. In calendar year 2025 and thereafter, the mileage aid payment shall be \$2,845.

**Vetoed
In Part**

30. Dignitary Protection Unit

Governor’s written objections

Section 387

This section requires the Department of Transportation to maintain a dignitary protection unit. The section further identifies Justices of the Supreme Court of Wisconsin as state officers eligible for protection by the dignitary protection unit.

Ensuring the safety of all public officials and institutions, including our judges and our courts, must be a top priority. Under current law, the department may already assign state traffic officers to protect state officers, including Justices of the Supreme Court. I support ensuring that state traffic officers may be assigned to protect Justices of the Supreme Court, and I believe more can be done to bolster this important work, including providing the necessary resources to meet the Legislature’s intent.

I am vetoing this section as I object to creating redundant directives for the Division of State Patrol that would ultimately limit its flexibility to respond to the dynamic public safety needs of Wisconsin. Further, I object to the fact that this section does not provide additional resources for the State Patrol if the intent is that it provide additional officer assignments.

I welcome the Legislature to continue to work on this critically important issue in partnership with my administration and our courts during this biennium to ensure appropriate security can be provided and properly funded to protect the Justices of the Supreme Court.

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part**

SECTION 387. 110.07 (2m) of the statutes is amended to read:

110.07 (2m) In addition to the primary powers granted by subs. (1) and (2), any officer of the state traffic patrol shall have the powers of a peace officer under s. 59.28, except that the officer shall have the arrest powers of a law enforcement officer under s. 968.07, regardless of whether the violation is punishable by forfeiture or criminal penalty. A state traffic officer shall at all times be available as a witness for the state but may not conduct investigations for crimes under chs. 939 to 948 other than crimes relating to the use or operation of vehicles. The

primary duty of a state traffic officer shall be the enforcement of chs. 340 to 351 or of any other law relating to the use or operation of vehicles upon the highway. No state traffic officer shall be used in or take part in any dispute or controversy between employer or employee concerning wages, hours, labor or working conditions; nor shall any such officer be required to serve civil process.

(3m) The department shall maintain a dignitary protection unit and may assign state traffic officers to safeguard state officers, including justices of the supreme court, or other persons.

**Vetoed
In Part**

31. Freight Rail Preservation Program

Governor’s written objections

Section 9144 (1)

This provision requires the Department of Transportation to conduct a cost-benefit analysis of the freight rail preservation program and further requires the department to submit a report of this analysis to the Joint Committee on Finance no later than June 30, 2025.

I am vetoing this provision because I object to the Legislature mandating analyses when the department is already able to undertake such actions at its own discretion. I also object to this additional reporting requirement. In lieu of the actions that would have been required under this provision, I am directing the department to update the department's Intermodal Facility Study.

Cited segments of 2023 Senate Bill 70:

SECTION 9144. Nonstatutory provisions; Transportation.

(1) FREIGHT RAIL PRESERVATION PROGRAM REPORT. During the 2023-25 fiscal biennium, the department of transportation shall conduct a cost-benefit analysis of the

freight rail preservation program under ss. 85.08, 85.09, and 85.093. No later than June 30, 2025, the department of transportation shall provide a report of its findings to the joint committee on finance.

**Vetoed
In Part**

**Vetoed
In Part**

32. Mississippi River Parkway Commission Administrative Support

Governor's written objections

Section 9144 (11)

This provision requires the Department of Transportation to assign the equivalent of a 0.1 FTE position from the duties of the bicycle and pedestrian coordinator position to the Mississippi River Parkway Commission for the purpose of providing administrative support to the commission.

I am vetoing this provision because I object to this level of micromanaging of the department. In addition, I am vetoing this section because I object to a legislative mandate of such a limited scale.

Cited segments of 2023 Senate Bill 70:

SECTION 9144. Nonstatutory provisions; Transportation.

(11) MISSISSIPPI RIVER PARKWAY COMMISSION POSITIONS. The department of transportation shall assign the

equivalent of 0.1 FTE position from the duties of the bicycle and pedestrian coordinator position to the Mississippi River parkway commission for the purpose of providing administrative support to the commission.

**Vetoed
In Part**

**Vetoed
In Part**

33. Fee for Identification Stickers for Electric Vehicles

Governor's written objections

Section 460

This section creates a \$1 fee to pay for the costs of manufacture and distribution of stickers or decals to identify both hybrid electric vehicles and nonhybrid electric vehicles. These stickers or decals are intended to alert emergency personnel of the unique safety concerns of these vehicles.

I am vetoing this section to eliminate the \$1 fee that this section would charge the owners of these vehicles because I object to this unnecessary fee. Because of existing registration fees for these vehicles, including an increase to the registration fee for nonhybrid electric vehicles in this budget bill, there is no need to set this fee to cover Department

of Transportation costs for these stickers. In addition, a fee of this magnitude would simply be an irritant to state residents owning these vehicles.

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part**

SECTION 460. 341.26 (8) of the statutes is created to read:
341.26 (8) ELECTRIC VEHICLES. A registration fee of \$1 shall be paid to the department for the issuance of the

decals required under s. 341.13 (5) for a hybrid electric vehicle, as defined under s. 341.25 (1) (L) 1. b., or a non-hybrid electric vehicle, as defined under s. 341.25 (1) (L) 1. c.

**Vetoed
In Part**

34. Opening Avenues to Reentry Success Program

Governor’s written objections

Section 9108 (2)

This provision directs that \$2,272,300 GPR from the appropriation under s. 20.410 (1) (ds) in the 2023–25 biennium be utilized to expand the original Opening Avenues to Reentry Success (OARS) program.

I am vetoing this provision because I object to preventing the Department of Corrections from funding the continuation of the Opening Avenues to Reentry Success 2 (OARS2) pilot program. With this veto, the Department of Corrections will be able to both expand the OARS program and continue the OARS2 pilot program. I continue to be supportive of both the OARS and OARS2 programs and request that the Department of Corrections utilize these additional funds for those programs.

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part**

SECTION 9108. Nonstatutory provisions; Corrections.
(2) OPENING AVENUES TO REENTRY SUCCESS PROGRAM. In fiscal year 2023–24, of the moneys newly appropriated under s. 20.410 (1) (ds), \$760,300 shall be allo-

cated to the original opening avenues to reentry success (OARS) program. In fiscal year 2024–25, of the moneys newly appropriated under s. 20.410 (1) (ds), \$1,512,000 shall be allocated to the original opening avenues to reentry success (OARS) program.

**Vetoed
In Part**

35. Community Reentry Centers

Governor’s written objections

Section 100

This section would create a new appropriation under s. 20.410 (1) (df) for the Department of Corrections to establish and operate community reentry centers.

I am partially vetoing this section because I object to including an unworkable appropriation in the budget. My partial veto will remove the reference to s. 301.098 because there is no s. 301.098 under current law nor does this bill create it. While pending legislation on this topic was prepared for the Legislative Council Study Committee on Increasing Offender Employment Opportunities and introduced in the Legislature, there is no language in this bill to identify it.

Cited segments of 2023 Senate Bill 70:

SECTION 100. 20.410 (1) (df) of the statutes is created to read:
20.410 (1) (df) *Community reentry centers.* The

amounts in the schedule to establish and operate community reentry centers ~~under s. 301.098~~.

**Vetoed
In Part**

36. Law Enforcement Overtime Grants

Governor’s written objections

Sections 123 and 423

These sections would eliminate the law enforcement overtime grants program and repeal the corresponding law enforcement overtime grants appropriation under s. 20.455 (2) (jc).

I am vetoing these sections because I object to eliminating a program that supports efforts to help keep our kids, our communities, and our state safe by helping our police departments with overtime costs. My budget recommended providing expenditure authority for the Department of Justice to issue law enforcement overtime grants and retaining the appropriation will allow the program to potentially be funded in the future.

Cited segments of 2023 Senate Bill 70:

SECTION 123. 20.455 (2) (jc) of the statutes is repealed.

SECTION 423. 165.986 (7) of the statutes is repealed.

**Vetoed
In Part**

**Vetoed
In Part**

37. Consolidated Court Automation Program

Governor’s written objections

Section 51 [as it relates to s. 20.680 (2) (j)]

This section provides \$12,349,500 PR in fiscal year 2023–24 and \$12,248,500 PR in fiscal year 2024–25 in the appropriation under s. 20.680 (2) (j) for the consolidated court automation program. Although there is no language in the budget bill to identify it, the dollar amounts reflect a Joint Committee on Finance motion increasing this appropriation by \$2,188,000 PR in each fiscal year to reestimate expenditure authority.

I am partially vetoing section 51 [as it relates to s. 20.680 (2) (j)] by lining out the amounts under s. 20.680 (2) (j) and writing in a smaller amount to reduce the appropriation by \$2,188,000 PR in each fiscal year because I object to a funding reestimate of this size. I am also requesting the Department of Administration secretary not allot these funds. It is important that reestimates accurately reflect anticipated revenues in order to avoid a deficit in the appropriation. The effect of this veto is to delete the funding increase added by the Legislature and instead implement my recommendation regarding expenditure authority estimates for the consolidated court automation program. As a continuing program revenue appropriation, the expenditure authority for the court information systems appropriation under s. 20.680 (2) (j) may continue to be adjusted under current law procedures.

Cited segments of 2023 Senate Bill 70:

SECTION 51. 20.005 (3) of the statutes is repealed and recreated to read:

20.680 Supreme Court

(2) DIRECTOR OF STATE COURTS AND LAW LIBRARY

(j) Court information systems PR C

12,349,500
10,161,500

12,248,500
10,060,500

**Vetoed
In Part**

E. PROTECTING & CONSERVING OUR NATURAL RESOURCES

38. Unobligated Stewardship Authority

Governor’s written objections

Section 194

This section sets aside \$2,500,000 in unobligated bonding authority from fiscal years 2021–22 and 2022–23 from the Warren Knowles–Gaylord Nelson Stewardship 2000 program for drilling new wells, facility maintenance, upgrades and renovations, and construction of new buildings at the Les Voigt State Fish Hatchery and the Brule State Fish Hatchery.

I am partially vetoing this section to remove the specific fiscal years and the specific projects because I object to having unobligated Stewardship bonding authority available only for earmarks at the discretion of the Legislature. Due to the Legislature’s obstruction through the Joint Committee on Finance anonymous objection process, many valuable Stewardship projects have been delayed or denied leaving unused and unobligated bonding authority at the end of each year. It is my sincere desire that we work together to fix this broken system for approval of beneficial conservation projects. This veto will allow the Department of Natural Resources to access all unobligated Stewardship bonding authority to invest in critical projects that will protect, preserve, and provide access to Wisconsin’s natural resources.

Cited segments of 2023 Senate Bill 70:

SECTION 194. 23.0917 (5g) (L) of the statutes is created to read:

23.0917 (5g) (L) 1. In this paragraph, “unobligated amount” means the amount by which the annual bonding authority for the subprograms under subs. (3), (4), and (4j) in fiscal years 2021–22 and 2022–23 exceeded the amounts that the department obligated from the moneys appropriated under s. 20.866 (2) (ta) for those subprograms for those fiscal years, but not including the amount by which the annual bonding authority for the purpose

under sub. (3) (br) in fiscal years 2021–22 and 2022–23 exceeded the amount obligated for that purpose in those fiscal years .

2. Of the unobligated amount, the department shall obligate \$2,500,000 for hatcheries at the Les Voigt State Fish Hatchery and the Brule State Fish Hatchery . This includes drilling new wells, facility maintenance, upgrades and renovations, and construction of new buildings.

**Vetoed
In Part**

**Vetoed
In Part**

39. Echo Lake Dam

Governor’s written objections

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

These sections create a new continuing appropriation and provide \$1,000,000 GPR in the 2023–25 biennium for providing a grant to the city of Burlington for the restoration of a dam on Echo Lake.

**Vetoed
In Part
Vetoed
In Part**

I am partially vetoing section 51 [as it relates to s. 20.370 (4) (j)c)] and vetoing section 75 in its entirety because I object to providing additional state funding for a project that already received a \$1,000,000 grant under the Municipal Dam Grant Program during the 2021–23 grant period.

Cited segments of 2023 Senate Bill 70:

SECTION 51. 20.005 (3) of the statutes is repealed and recreated to read:

20.370 Natural Resources, Department of

(4) ENVIRONMENTAL MANAGEMENT

(j)c) Echo Lake dam grant	GPR	C	1,000,000	-0-
---------------------------	-----	---	-----------	-----

**Vetoed
In Part**

40. Department of Natural Resources Position Reallocations

Governor’s written objections

Section 9132 (1)

This provision directs the Department of Natural Resources to reallocate 1.0 FTE existing position as a conservation warden supervisor and 2.0 FTE existing positions as conservation wardens, for the purpose of all-terrain vehicle and utility terrain vehicle law enforcement.

I am partially vetoing this provision to remove the specific number of FTE and job classifications because I object to the Legislature requiring the Department of Natural Resources to reassign a set number of existing positions to specific job classifications. This veto will allow the department to determine how to best allocate positions for conservation purposes. The department will report any reallocations to the Department of Administration and the Legislative Fiscal Bureau for inclusion in the final Chapter 20 schedule.

Cited segments of 2023 Senate Bill 70:

SECTION 9132. Nonstatutory provisions; Natural Resources.

(1) **ATV AND UTV LAW ENFORCEMENT POSITIONS.**

The secretary of natural resources shall assign from the existing position authority of the department of natural resources **1.0 FTE position** to serve as a conservation warden supervisor for the purpose of all-terrain vehicle and utility terrain vehicle law enforcement. The secre-

tary of natural resources shall assign 2.0 FTE positions to serve as conservation wardens, for the purpose of all-terrain vehicle and utility terrain vehicle law enforcement.

The department of natural resources shall report the reallocation of positions to the joint committee on finance for inclusion in the final ch. 20 schedule, as described in s. 20.004 (2).

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

41. Pattison and Amnicon Falls State Parks Earmarks

Governor’s written objections

Section 9132 (3)

This provision earmarks \$2,161,300 SEG for development and maintenance projects at Amnicon Falls and Pattison State Parks. The provision specifies projects that the Department of Natural Resources must complete at both properties.

I am vetoing this provision because I object to limiting the department’s flexibility to prioritize projects based on areas of highest need. This veto will provide the department the ability to utilize the funding for development and maintenance projects throughout the state park system.

Cited segments of 2023 Senate Bill 70:

SECTION 9132. Nonstatutory provisions; Natural Resources.

(3) PATTISON AND AMNICON FALLS STATE PARKS.

(a) From the appropriation under s. 20.370 (7) (hu), the department of natural resources shall allocate \$2,161,300 for the purpose of completing the projects under pars. (b) and (c).

(b) The department of natural resources shall complete all of the following projects in Pattison State Park:

- 1. Construction of playgrounds and gazebos.
- 2. Electrification of campsites.
- 3. Repair of the Big Manitou Falls trail stairway.
- 4. Construction of a trail to the beach that is accessible to individuals with disabilities.

5. Landscaping.

(c) The department of natural resources shall complete all of the following projects in Amnicon Falls State Park:

- 1. Construction of playgrounds and gazebos.
- 2. Electrification of campsites.
- 3. Replacement of guard rails.
- 4. Construction of trail improvements.
- 5. Construction of a bridge over Now and Then Creek.
- 6. Construction of a 6-mile multiuse trail.
- 7. Construction of a road from the park entrance to and through the campground loop.

**Vetoed
In Part**

**Vetoed
In Part**

42. Tribal Gaming Transfer

Governor’s written objections

Section 144

This section increases the annual transfer of Tribal gaming revenue to the conservation fund from \$3,000,000 to \$4,000,000.

I am vetoing this section because I object to this additional transfer of Tribal gaming revenue to the conservation fund. I believe Tribal gaming revenue should be retained for investments in Tribal communities and that those communities should be partners in any discussion that increases the transfer to the conservation fund.

Cited segments of 2023 Senate Bill 70:

SECTION 144. 20.505 (8) (hm) 1f. of the statutes is amended to read:

20.505 (8) (hm) 1f. ~~The amount Four million dollars is transferred to the conservation fund shall be \$3,000,000.~~

**Vetoed
In Part**

43. Steve Creek Dam

Governor’s written objections

Section 76

This section creates a new continuing appropriation in the 2023–25 biennium for providing a grant to Pierce County for repairs of a dam on Steve Creek. It should be noted that there is no body of water known as Steve Creek in Pierce County;

however, there is a dam on Steve Creek in Price County. It appears from the motion that was adopted by the Joint Committee on Finance that the intent of this provision was to provide Price County with a grant.

I am partially vetoing this section to eliminate the reference to Pierce County because I object to providing funding to a county for a project that is located in a different county. With this veto, I am directing the Department of Natural Resources to work with Price County to issue this grant.

Cited segments of 2023 Senate Bill 70:

SECTION 76. 20.370 (4) (jd) of the statutes is created to read:
20.370 (4) (jd) *Steve Creek dam grant.* As a continu-

ing appropriation from the general fund, the amounts in the schedule to provide a grant to **Pierce County** for repairs to the dam on Steve Creek.

**Vetoed
In Part**

44. Lake Mallalieu Dredging Grant

Governor’s written objections

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

These sections create a new continuing appropriation and provide \$2,000,000 GPR in the 2023–25 biennium for providing a grant to the Lake Mallalieu Association for dredging Lake Mallalieu.

I am partially vetoing section 51 [as it relates to s. 20.370 (4) (jf)] and partially vetoing section 78 to remove the word dredging because I object to limiting the grant recipient to spending these funds only on the physical dredging of the lake. The association will likely incur ancillary costs related to the project, such as costs related to studies and permitting, and it is my intent to allow the grant to be utilized for these costs in addition to the physical dredging of the lake.

Cited segments of 2023 Senate Bill 70:

SECTION 51. 20.005 (3) of the statutes is repealed and recreated to read:

20.370 Natural Resources, Department of

(4) ENVIRONMENTAL MANAGEMENT

(jf) Lake Mallalieu **dredging** grant

GPR

C

2,000,000

-0-

**Vetoed
In Part**

SECTION 78. 20.370 (4) (jf) of the statutes is created to read:

20.370 (4) (jf) *Lake Mallalieu dredging grant.* As a

continuing appropriation from the general fund, the amounts in the schedule to provide a grant to the Lake Mallalieu Association for **dredging** Lake Mallalieu.

**Vetoed
In Part**

**Vetoed
In Part**

45. Division Administrator Positions at the Department of Natural Resources

Governor’s written objections

Section 430

This section reduces the number of division administrator positions in the Department of Natural Resources from ten to nine.

I am vetoing this section because I object to reducing the number of division administrators at the Department of Natural Resources. As a result of this veto, the Department of Natural Resources retains the position authority for this 1.0 FTE PR unclassified position for appointment as a division administrator that would otherwise have been eliminated as a result of the Legislature’s action.

Cited segments of 2023 Senate Bill 70:

Vetoed
In Part

SECTION 430. 230.08 (2) (e) 8. of the statutes is repealed and recreated to read:
230.08 (2) (e) 8. Natural resources — 9.

46. Board of Commissioners of Public Lands Deputy Director Position

Governor’s written objections

Section 196

This section eliminates the ability of the executive secretary of the Board of Commissioners of Public Lands to appoint a deputy director.

I am vetoing this section because I believe that the executive secretary should have the ability to appoint a deputy director if they so choose, and object to the Legislature eliminating that option. As a result of this veto, the Board of Commissioners of Public Lands retains the position authority for this 1.0 FTE GPR position for appointment as a deputy director that would otherwise have been eliminated as a result of the Legislature’s action.

Cited segments of 2023 Senate Bill 70:

Vetoed
In Part

SECTION 196. 24.55 of the statutes is amended to read:
24.55 Executive secretary; deputy; staff; appointments; duties; oath. The board shall appoint an executive secretary outside the classified service. The execu-

utive secretary shall appoint a deputy who shall, during the absence of the executive secretary, have all of the authority given by law to the executive secretary. The executive secretary and deputy shall take and file the official oath.

Vetoed
In Part

F. ADDITIONAL KEY PRIORITIES

47. Tribal Grants Sunset

Governor’s written objections

Sections 142, 149, 9101 (2), and 9401 (1)

These provisions create an appropriation at the Department of Administration and require the department to use it to distribute grants to federally recognized American Indian Tribes or bands in this state. The Joint Committee on Finance has reserved \$11,000,000 of Tribal gaming revenues to supplement this appropriation in fiscal year 2023–24. In addition, the appropriation is repealed on July 1, 2025.

I am vetoing sections 142, 149, and 9401 (1) and partially vetoing section 9101 (2) to retain the creation of the appropriation but remove the sunset for the appropriation, because I object to ending this program. A similar grant program in the 2021–23 biennium was also funded with Tribal gaming revenues and has proven valuable to the Tribal Nations, allowing each Tribe and band to use the funding in the way it deems best to meet the needs of its members. The language of this appropriation is general and would allow grants that offer similar flexibility to be made to each Tribe and band. While this veto does not establish ongoing funding for these grants in subsequent biennia, it at least preserves the framework of this program that both the Legislature and I agree upon.

Cited segments of 2023 Senate Bill 70:

Vetoed
In Part
Vetoed
In Part

SECTION 142. 20.505 (1) (ky) of the statutes, as created by 2023 Wisconsin Act ... (this act), is repealed.

SECTION 149. 20.505 (8) (hm) 16a. of the statutes, as created by 2023 Wisconsin Act ... (this act), is repealed.

SECTION 9101. Nonstatutory provisions; Administration.

(2) TRIBAL GRANTS. From the appropriation under s.

20.505 (1) (ky), in the 2023–25 fiscal biennium, the department of administration shall award grants to federally recognized American Indian tribes or bands in this state.

SECTION 9401. Effective dates; Administration.

(1) TRIBAL GRANTS. The repeal of s. 20.505 (1) (ky) and (8) (hm) 16a. takes effect on July 1, 2025.

Vetoed
In Part

Vetoed
In Part

48. Legislative Human Resources Office

Governor’s written objections

Section 19

This section creates the Legislative Human Resources Office and establishes duties of the office and the director. Under the language of this section, the office would “have all of the rights and privileges pertaining to human resources records as are enjoyed by executive branch agencies, including those under s. 230.13 and subchapter II of ch. 19,” which address public records.

I am partially vetoing this section because I object to including unnecessary language in the statutes. If the intent of the Legislature was to treat the records of the office the same as human resources offices of executive branch agencies, this language is unnecessary and may create inconsistency in how human resources records are treated by the office. By partially vetoing this section to remove reference to the treatment of records, it will be clear that the office is simply subject to the state’s Public Records Law in the same manner as all authorities as defined under the Public Records Law, including executive branch agencies.

Cited segments of 2023 Senate Bill 70:

SECTION 19. 13.97 of the statutes is created to read:
13.97 Legislative human resources office. There is created a service agency known as the “Legislative Human Resources Office,” headed by a director. The legislative human resources office shall be strictly nonparti-

san. The legislative human resources office shall have all rights and privileges pertaining to human resources records as are enjoyed by executive branch agencies, including those under s. 230.13 and subch. II of ch. 19.

Vetoed
In Part

49. WisconsinEye

Governor’s written objections

Section 20

This section creates an endowment fund for the WisconsinEye Public Affairs Network, Inc. The Joint Committee on Finance has reserved \$10,000,000 in its GPR supplemental appropriation to supplement a new biennial appropriation if a request for funding is made jointly by the Department of Administration and WisconsinEye. As a condition of receiving the payment, WisconsinEye must raise a match of at least an equal amount of nonstate funding sources for the endowment fund. If WisconsinEye ever ceases operation, it shall pay back the state’s investment. Finally, it is also prohibited from charging any fee for access to recorded content of public meetings.

I am partially vetoing this section to expand the prohibition on charging fees for WisconsinEye content because I object to any fees being charged, given the significant contribution of state resources. It is important that the public have free access to all WisconsinEye content in order to ensure full transparency of legislative and other public proceedings.

Cited segments of 2023 Senate Bill 70:

SECTION 20. 16.004 (22) of the statutes is created to read:
16.004 (22) ENDOWMENT FUND FOR WISCONSINEYE.

(e) As a condition for receiving any payment under par. (b), WisconsinEye is prohibited from charging any fee for access to recorded content of public meetings .

**Vetoed
In Part**

50. Promotion of the U.S.S. Wisconsin Columbia-Class Submarine

Governor’s written objections

Section 9148 (2)

This provision allows the Department of Veterans Affairs to issue a one-time grant of \$16,540 from Veterans Museum base resources to a private nonprofit organization to promote and support recognition of the Columbia-class submarine to be known as the U.S.S. Wisconsin.

I am vetoing this provision because I object to the Legislature asking the Veterans Museum to prioritize this grant above other funding needs like museum operations or planning for the museum’s future. If the Legislature believes this grant is a priority, it should have provided separate funding to accomplish it.

Cited segments of 2023 Senate Bill 70:

SECTION 9148. Nonstatutory provisions; Veterans Affairs.

(2) U.S.S. WISCONSIN. From the appropriation under s. 20.485 (5) (c), in fiscal year 2023–24, the department of veterans affairs may award a onetime grant to a private nonprofit organization or a nonstock corporation that is a nonprofit corporation whose sole purpose is to promote and support recognition of the Columbia-class subma-

rine the U.S.S. Wisconsin. The amount of the grant under this subsection may be up to \$16,540. For purposes of this subsection, “nonprofit organization” has the meaning given in s. 108.02 (19), “nonstock corporation” means a nonstock corporation that is organized under ch. 181, and “nonprofit corporation” has the meaning given in s. 181.0103 (17).

**Vetoed
In Part**

**Vetoed
In Part**

51. Restore an Appropriation for Agency Operations

Governor’s written objections

Section 54

This section repeals a PR–S appropriation from the Supervision of the Insurance Industry program within the Office of the Commissioner of Insurance, which receives money from other state agencies and money received by the office from the office for general program operations.

I am vetoing this section because I object to removing the agency’s ability to receive funds from other agencies and itself, which would result in limiting the office’s ability to carry out its administrative duties.

Cited segments of 2023 Senate Bill 70:

**Vetoed
In Part** **SECTION 54.** 20.145 (1) (km) of the statutes is
repealed.
