

2021-23 wisconsin  
state budget



# partial vetoes of 2021 wisconsin act 58

2021 assembly bill 68

legislative fiscal bureau  
july 12, 2021



**2021-23 WISCONSIN STATE BUDGET**

**2021 Assembly Bill 68**

**Summary of Partial Vetoes of 2021 Wisconsin Act 58**

**Legislative Fiscal Bureau**

**One East Main, Suite 301**

**Madison, Wisconsin**



## INTRODUCTION

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

The Governor signed 2021 Assembly Bill 68 (the state's 2021-23 budget) into law on July 8, 2021. The Governor exercised his partial veto authority over 50 provisions in the budget as passed by the Legislature.

This document summarizes each of the Governor's partial vetoes. It is organized in the order listed in the Governor's July 8, 2021, veto message. For each partial veto, the document summarizes the provision as passed by the Legislature, *explains the Governor's veto in italics*, and identifies the fiscal effect, if any, of the veto.

# TABLE 1

## 2021-23 General Fund Condition Statement

### Enrolled Assembly Bill 68

	<u>2021-22</u>	<u>2022-23</u>
<b>Revenues</b>		
Opening Balance, July 1	\$2,520,354,800	\$1,336,506,600
Taxes*	17,886,964,000	19,457,864,000
Departmental Revenues		
Tribal Gaming Revenues	0	20,764,200
Other	<u>484,355,600</u>	<u>471,370,400</u>
Total Available	\$20,891,674,400	\$21,286,505,200
<b>Appropriations, Transfers, and Reserves</b>		
Gross Appropriations	\$19,304,316,200	\$19,753,674,400
Transfers to:		
Transportation Fund	178,869,600	97,289,300
Budget Stabilization Fund	0	550,000,000
Building Trust Fund	15,000,000	0
MA Trust Fund	174,665,900	527,783,700
UI Trust Fund	60,000,000	60,000,000
Compensation Reserves	41,929,200	105,951,600
Less Lapses	<u>-219,613,100</u>	<u>-267,069,300</u>
Net Appropriations	\$19,555,167,800	\$20,827,629,700
<b>Balances</b>		
Gross Balance	\$1,336,506,600	\$458,875,500
Less Required Statutory Balance	<u>-90,000,000</u>	<u>-95,000,000</u>
Net Balance, June 30	\$1,246,506,600	\$363,875,500

\*Includes the estimated fiscal effects of 2021 Acts 1 and 2.

## TABLE 2

### 2021-23 General Fund Condition Statement

#### 2021 Wisconsin Act 58

	<u>2021-22</u>	<u>2022-23</u>
<b>Revenues</b>		
Opening Balance, July 1	\$2,520,354,800	\$2,001,879,000
Taxes*	18,570,664,000	19,457,864,000
Departmental Revenues		
Tribal Gaming Revenues	0	20,764,200
Other	<u>464,355,600</u>	<u>471,370,400</u>
Total Available	\$21,555,374,400	\$21,951,877,600
<b>Appropriations, Transfers, and Reserves</b>		
Gross Appropriations	\$19,302,041,200	\$19,753,174,400
Transfers to:		
Transportation Fund	178,869,600	97,289,300
Building Trust Fund	15,000,000	0
MA Trust Fund	174,665,900	527,783,700
UI Trust Fund	60,000,000	60,000,000
Compensation Reserves	41,929,200	105,951,600
Less Lapses	<u>-219,010,500</u>	<u>-267,069,300</u>
Net Appropriations	\$19,553,495,400	\$20,277,129,700
<b>Balances</b>		
Gross Balance	\$2,001,879,000	\$1,674,747,900
Less Required Statutory Balance	<u>-90,000,000</u>	<u>-95,000,000</u>
Net Balance, June 30	\$1,911,879,000	\$1,579,747,900

\*Includes the estimated fiscal effects of 2021 Acts 1 and 2.



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## AGRICULTURE, ENVIRONMENT, AND JUSTICE

### ITEM A-1. DAIRY INDUSTRY PROMOTION APPROPRIATION

As passed by the Legislature, Assembly Bill 68 would have repealed the Department of Agriculture, Trade and Consumer Protection (DATCP) appropriation for dairy promotion and deleted associated funding. *The Governor's partial veto deletes the repeal of the appropriation to restore its authorizing language. However, under Act 58 as vetoed, no funding is provided for dairy promotion, as a veto cannot restore funding removed by previous legislative action.*

[Act 58 Vetoed Section: 25]

### ITEM A-2. DAIRY INDUSTRY PROMOTION GRANTS AND LOANS

As passed by the Legislature, Assembly Bill 68 would have repealed DATCP's duty to provide grants and loans to dairy producers. *The Governor's partial veto deletes the repeal of this requirement. Under Act 58, the Department retains responsibility for providing grants and loans to dairy producers to promote the growth of the dairy industry. However, no funding is provided for this purpose.*

[Act 58 Vetoed Section: 335]

### ITEM A-3. UNENCUMBERED RURAL DEVELOPMENT LOAN FUNDS

As passed by the Legislature, Assembly Bill 68 would have authorized the Joint Committee on Finance to transfer the balance of the rural development loan appropriation under s. 20.115(3)(h) to the general fund, for reallocation to dairy export promotion activities. *The Governor's partial veto deletes this provision, leaving the appropriation balance available for its current purpose of loans for rural development.*

[Act 58 Vetoed Section: 24]

### ITEM A-4. WISCONSIN INITIATIVE FOR AGRICULTURAL EXPORTS

As passed by the Legislature, Assembly Bill 68 would have required DATCP and the Wisconsin Economic Development Corporation to submit a proposal to the Joint Committee on Finance to allocate \$5,000,000 over five years to pursue an increase in dairy, meat, poultry, fish, crop, and other agricultural product exports by 25% over their 2021 levels by 2026. The proposal was intended to guide the agencies' use of funding that would be released from the Committee's supplemental appropriation for agricultural export promotion. *The Governor's partial veto deletes this provision, although DATCP may still request release of funding from the Committee's supplemental appropriation for agricultural export promotion.*

[Act 58 Vetoed Section: 9102(1)]

#### **ITEM A-5. INDUSTRIAL HEMP PROGRAM STAFFING**

As passed by the Legislature, Assembly Bill 68 would have required DATCP to study options for resolving the hemp program deficit and report to the Joint Committee on Finance by March 30, 2022, with its recommendations for resolving the deficit. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 9102(2)]

#### **ITEM A-6. BEAVER DAM LAKE RESTORATION**

As passed by the Legislature, Assembly Bill 68 would create a biennial appropriation and provide \$220,200 from the environmental management account of the segregated environmental fund in 2021-22 to make a grant to the Beaver Dam Lake Improvement Association for restoration of shoreline along Beaver Dam Lake at Puckagee Springs Creek. The appropriation would be repealed on June 30, 2023. *The Governor's partial veto changes the fund source for the restoration project from the environmental fund to the conservation fund. In general, DNR appropriations under s. 20.370 of the statutes are from the segregated conservation fund, unless the statutory language of an appropriation specifies a different fund source. Under this provision, as well as those under A-7 through A-9, the veto accomplishes the funding change by striking the phrase "from the environmental fund" from the bill language, thereby providing the conservation fund as the appropriation's source.*

[Act 58 Vetoed Section: 41]

#### **ITEM A-7. CLAM FALLS DAM REPAIR**

As passed by the Legislature, Assembly Bill 68 would create a biennial appropriation and provide \$2,000,000 environmental management SEG in 2021-22 to make a grant to Polk County for repairs to the dam on the Clam River near the Town of Clam Falls. The appropriation would be repealed on June 30, 2023. *The Governor's partial veto alters the fund source for the repair project from the environmental fund to the conservation fund, using the practice described under A-6.*

[Act 58 Vetoed Section: 43]

#### **ITEM A-8. DEAD PIKE LAKE RESTORATION**

As passed by the Legislature, Assembly Bill 68 would create a biennial appropriation and provide \$125,000 environmental management SEG in 2021-22 to make a grant to the Town of Manitowish Waters, Vilas County, for installation of a water control structure. The appropriation would be repealed on June 30, 2023. *The Governor's partial veto alters the fund source for the restoration project from the environmental fund to the conservation fund, using the practice described under A-6.*

[Act 58 Vetoed Section: 45]

**ITEM A-9. SOUTHEASTERN WISCONSIN FOX RIVER COMMISSION**

As passed by the Legislature, Assembly Bill 68 would create a biennial appropriation and provide \$200,000 environmental management SEG in 2021-22 to make a grant to the Southeastern Wisconsin Fox River Commission for strategic planning and to pursue grant funding opportunities. The appropriation would be repealed on June 30, 2023. *The Governor's partial veto alters the fund source for the grant from the environmental fund to the conservation fund, using the practice described under A-6.*

[Act 58 Vetoed Section: 47]

**ITEM A-10. NEW BERLIN ROAD CONSTRUCTION**

<b>Chg. to Enr. AB 68</b>	
SEG	- \$2,000,000

As passed by the Legislature, Assembly Bill 68 would have created a biennial appropriation and provided \$2,000,000 environmental management SEG in 2021-22 to make a grant to the City of New Berlin, Waukesha County, for road reconstruction related to the City of Waukesha Lake Michigan water diversion project. The appropriation would have been repealed on June 30, 2023. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Sections: 21 (as it relates to s. 20.370(4)(jv)), 51, 52, and 9432(3)]

**ITEM A-11. WATERFOWL HUNTING STAMP REPORTING REQUIREMENT**

As passed by the Legislature, Assembly Bill 68 would have required the Department of Natural Resources (DNR) to report to the Legislature by November 15 of each odd-numbered year on the amounts in the preceding fiscal biennium: (a) received from the waterfowl stamp; (b) obligated to habitat projects; (c) expended on habitat projects; and (d) remaining unobligated. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 170]

**ITEM A-12. FIRE FIGHTING FOAM APPROPRIATION TITLE**

As passed by the Legislature, Assembly Bill 68 would create a new "clean sweep – fire fighting foam" appropriation under s. 20.370 (4) (ps) of the statutes for DNR to collect fire fighting foams containing per- and polyfluoroalkyl substances. *The Governor's partial veto deletes the words "clean sweep" from the appropriation title.*

[Act 58 Vetoed Sections: 21 (as it relates to s. 20.370 (4)(ps)) and 54]

**ITEM A-13. GREAT LAKES REMEDIATION LAPSE**

<b>Chg. to Enr. AB 68</b>	
GPR-Lapse	- \$2,500

As passed by the Legislature, Assembly Bill 68 would have lapsed \$2,500 to the general fund in 2021-22 from the continuing appropriation for

remedial action in the Great Lakes and tributaries. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 9232(1)]

**ITEM A-14. STATE PARKS MAINTENANCE LAPSE**

<b>Chg. to Enr. AB 68</b>
GPR-Lapse - \$37,800

As passed by the Legislature, Assembly Bill 68 would have lapsed \$37,800 to the general fund in 2021-22 from the continuing appropriation for state parks maintenance and development. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 9232(2)]

**ITEM A-15. BUILDING ACQUISITION AND MAINTENANCE LAPSE**

<b>Chg. to Enr. AB 68</b>
GPR-Lapse - \$7,200

As passed by the Legislature, Assembly Bill 68 would have lapsed \$7,200 to the general fund in 2021-22 from the continuing appropriation for construction and maintenance of DNR buildings. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 9232(3)]

**ITEM A-16. MOTORIZED STEWARDSHIP**

As passed by the Legislature, Assembly Bill 68 would provide \$5 million for the stewardship property development subprogram annually, beginning in fiscal year 2022-23. From this amount, the bill would allot \$500,000 annually for grants to friends groups for property development on DNR-owned properties and \$500,000 for grants to local governments for motorized recreation projects. The remaining \$4 million may be used by DNR for state recreational property development. *The Governor's partial veto deletes the \$500,000 allotment for motorized recreation.*

[Act 58 Vetoed Section: 146]

<b>EDUCATION AND WORKFORCE DEVELOPMENT</b>
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**ITEM B-17. GRANTS TO LAKELAND STAR ACADEMY**

<b>Chg. to Enr. AB 68</b>
GPR - \$750,000

As passed by the Legislature, Assembly Bill 68 would have provided \$250,000 in 2021-22 and \$500,000 in 2022-23 in a newly-created annual appropriation for grants to the Lakeland STAR Academy. DPI would have been required to provide a grant equal to the amount appropriated in each year to the Lakeland UHS School District for the

Lakeland STAR Academy, a charter school authorized by that district. The appropriation would have been repealed on July 1, 2023. *The Governor's partial veto deletes these provisions.*

[Act 58 Vetoed Sections: 21 (as it relates to s. 20.255(2)(ai)), 30, 31, 9134(1), and 9434(1)]

#### **ITEM B-18. BENCHMARK ASSESSMENTS**

<b>Chg. to Enr. AB 68</b>	
GPR	- \$2,000,000

As passed by the Legislature, Assembly Bill 68 would have provided \$2,000,000 GPR in the Joint Committee on Finance supplemental appropriation in 2021-22 for benchmark assessments for release upon request and approval by the Committee. *As part of the Governor's partial veto that reduces the funding budgeted in the Committee's supplemental appropriation, the Governor's partial veto deletes all funding for this item. The Governor's veto message indicates that the intent of this reduction is to eliminate funding for benchmark assessments, and directs the Secretary of the Department of Administration not to allot these funds.*

[Act 58 Vetoed Section: 21 (as it relates to 20.865(4)(a))]

#### **ITEM B-19. HIGH COST TRANSPORTATION AID**

Under prior law, districts qualified for high cost transportation aid if they met the following eligibility requirements: (a) a transportation cost per member greater than 145% of the state average in the prior year; and (b) a pupil population density of 50 pupils per square mile or less, calculated by dividing the school district's membership in the previous school year by the district's area in square miles. Base level funding was equal to \$13,500,000 GPR annually.

As passed by the Legislature, Assembly Bill 68 would have modified the high cost transportation aid program by specifying that a district would be eligible for aid if its membership in the previous year was less than 3,500 pupils, and by deleting prior law limiting eligibility to districts with a pupil population density of 50 pupils per square mile or less. Assembly Bill 68 also modifies the program by lowering the aid threshold from 145% of statewide average transportation costs to 140% of statewide average transportation costs beginning in the 2021-22 school year. The bill provides an increase of \$6,356,200 GPR annually, which is estimated to fully fund the program as modified under the bill.

*The Governor's partial veto deletes the eligibility criterion limiting eligibility to districts with a membership of less than 3,500 pupils, and restores the prior law eligibility criterion under which a district would not qualify for aid if its pupil population density is greater than 50 pupils per square mile.*

[Act 58 Vetoed Section: 359]

**ITEM B-20. YOUTH SUMMER JOBS**

As passed by the Legislature, Assembly Bill 68 would have expanded the eligibility for the Department of Workforce Development's (DWD) youth summer jobs program to include programs outside first-class cities (City of Milwaukee). *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Sections: 67 and 338]

**ITEM B-21. OCCUPATIONAL DRUG TESTING**

As passed by the Legislature, Assembly Bill 68 would have required DWD to immediately promulgate a permanent rule to implement the unemployment insurance (UI) occupational drug testing requirement under current law. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Sections: 340 and 341]

**ITEM B-22. CLEARING ACCOUNT DEFICIT**

As passed by the Legislature, Assembly Bill 68 would have directed DOA to identify amounts from 2021-22 GPR appropriations to transfer to the DWD general operations appropriation under 20.445 (1)(a) of the statutes to reconcile DWD's \$975,900 clearing account deficit, and require DOA and DWD to submit a request for transfers to the Joint Committee on Finance by March 1, 2022. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 9101(2)]

**ITEM B-23. UNEMPLOYMENT INSURANCE STUDY**

<b>Chg. to Enr. AB 68</b>	
GPR	- \$25,000

As passed by the Legislature, Assembly Bill 68 would have provided \$25,000 in 2021-22 in the Joint Committee on Finance supplemental appropriation for release to DWD upon request and approval by the Committee to study converting Wisconsin's UI system to a "sliding scale" that automatically adjusts the number of weeks a claimant is eligible for UI benefits based on the state's unemployment rate. The study would be expected to review the experience of other states that have implemented a "sliding scale" system and related UI trust fund impacts. The study would examine other UI system options that provide incentives to work, and to keep working, while continuing to provide weekly UI benefits to claimants. *As part of the Governor's partial veto that reduces the funding budgeted in the program supplements appropriation, the Governor's partial veto deletes all funding for this item.*

[Act 58 Vetoed Section: 21 (as it relates to s. 20.865(4)(a))]

**GENERAL GOVERNMENT, CHILDREN AND FAMILIES**

**ITEM C-24. BUILDING PROGRAM -- LOCAL GRANTS**

<b>Chg. to Enr. AB 68</b>	
BR	- \$10,000,000

As passed by the Legislature, Assembly Bill 68 would have authorized \$10,000,000 of general fund supported borrowing for a grant program to assist facility construction by non-state organizations. Under this program, the state would have provided grants to pay for no more than \$2,000,000 of the total cost of non-state, local projects. There would have been a local matching requirement, and the Building Commission would have awarded grants, subject to approval by the Joint Committee on Finance and a finding by the Committee that the project is in the public interest. *The Governor's partial veto deletes these provisions.*

[Act 58 Vetoed Sections: 4, 20 (as it relates to s. 20.867(3)(ct) and the non-state local project grant program), 21 (as it relates to s. 20.867(3)(ct)), 94, 118, 127, and 9104(1)(a)]

**ITEM C-25. SPACE RENTAL ACCOUNT TRANSFER**

<b>Chg. to Enr. AB 68</b>	
PR-Transfer	- \$20,000,000
GPR-REV	- \$20,000,000

As passed by the Legislature, Assembly Bill 68 would have required the Department of Administration to transfer \$20,000,000 in 2021-22 from the space rental account to the general fund. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 9201(2)]

**ITEM C-26. REQUIREMENT TO SUBMIT COMPENSATION PLAN FOR SUPPLEMENTAL PAY PLANS FOR CORRECTIONAL OFFICERS AND CORRECTIONAL SERGEANTS**

As passed by the Legislature, Assembly Bill 68 would have required that the administrator of the Division of Personnel Management in the Department of Administration propose an amendment to the 2021-23 compensation plan relating to a \$5 add-on for correctional officers and sergeants if the plan were adopted prior to the effective date of the bill. *The Governor's partial veto deletes this requirement, since the 2021-23 compensation plan has not yet been adopted.*

[Act 58 Vetoed Section: 9101(5)]

**ITEM C-27. OFFENDER REENTRY DEMONSTRATION PROJECT**

As passed by the Legislature, Assembly Bill 68 would have allocated \$250,000 in 2021-22 and \$0 in 2022-23 from funding the state receives under the federal temporary assistance for needy families (TANF) block grant for the Milwaukee offender re-entry demonstration project, with the

expectation that the program would end at the conclusion of the 2021-22 fiscal year. *The Governor's partial veto deletes the provision that references the 2021-22 and 2022-23 funding allocations for the program. Consequently, the current statutory funding allocation for the program (\$250,000 annually) is retained. However, the Act does not budget TANF funding to support program expenses in 2022-23. As a result, program costs incurred in 2022-23 would need to be funded through funding reallocations authorized by the Joint Committee on Finance.*

[Act 58 Vetoed Section: 224b]

## HEALTH SERVICES AND INSURANCE

### ITEM D-28. GRANTS FOR PSYCHIATRIC BEDS

As passed by the Legislature, Assembly Bill 68 would direct the Building Commission to award a \$15,000,000 grant in 2021-22 to a health system that has a hospital that is located south of the Chippewa River in Eau Claire County and northeast of the intersection STH 37 and USH 12, and has a hospital in Chippewa County, to expand psychiatric bed capacity by 22 beds. Under this provision, the hospitals would give preference to admitting patients who require emergency detentions from Ashland, Barron, Bayfield, Buffalo, Burnett, Chippewa, Clark, Douglas, Dunn, Eau Claire, Iron, Jackson, La Crosse, Lincoln, Marathon, Monroe, Oneida, Pepin, Pierce, Polk, Price, Rusk, Sawyer, St. Croix, Taylor, Trempealeau, Vilas, Washburn, and Wood counties. In addition to several conditions and requirements the health system must meet to receive the grant funding, the bill would have required that that the health system receiving grant funds enter into a contract with at least two-thirds of the specified counties, where at least one of the hospitals would have been the primary receiver for emergency detention placements for the county. *The Governor's partial veto deletes the requirement that there be an agreement where at least one of the hospitals would have been the primary receiver for emergency detentions for the county.*

[Act 58 Vetoed Section: 9104(13)]

### ITEM D-29. GRANTS FOR EMPLOYER BLOOD DRIVES

As passed by the Legislature, Assembly Bill 68 provides \$250,000 GPR per year in one-time funding in 2021-22 and 2022-23, for the Department of Health Services (DHS) to award grants to employers who apply to the Department to organize blood drives. The bill specified that DHS must award grants of \$20 per blood donation, up to \$250,000 in total per fiscal year, and that DHS may award such a grant to an employer only if the employer retains documentation of each blood donation. *The Governor's partial veto deletes the requirements that grants be in the amount of \$20 per blood donation and that employers retain documentation of each blood donation.*

[Act 58 Vetoed Section: 9119(3)]

**ITEM D-30. FOODSHARE HEALTHY EATING INCENTIVE PILOT PROGRAM**

<b>Chg. to Enr. AB 68</b>
GPR-Lapse - \$425,000

As passed by the Legislature, Assembly Bill 68 would have required DHS to lapse \$425,000 to the general fund in 2021-22 from the DHS healthy eating incentive pilot program appropriation. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 9219(1)]

**ITEM D-31. BEHAVIORAL HEALTH BED TRACKER**

As passed by the Legislature, Assembly Bill 68 provides \$50,000 GPR in 2021-22 and \$30,000 GPR in 2022-23 to expand the existing inpatient psychiatric bed tracker to also include information on the availability of beds for peer-run respite centers and crisis stabilization centers. In addition to statutory changes directing the Department to provide this funding to the entity that maintains the psychiatric bed tracker for making this change to the system (the Wisconsin Hospital Association), the bill would have required the Department to provide the entity with the following information: (a) a list of operators with peer-run respite beds and contact information, including name, any electronic mail address, and telephone number for each operator; (b) a list of operators with crisis stabilization beds and the contact information, including name, any electronic mail address, and telephone number for each operator; and (c) a list of emergency mental health services programs that are certified by the Department and that perform crisis assessments and the contact information, including name, any electronic mail address, and telephone number for a primary contact at each program. *The Governor's partial veto eliminates the requirement that the Department provide the entity with additional information on operators of peer-run respite beds and crisis stabilization facilities and a list of emergency mental health services programs.*

[Act 58 Vetoed Section: 238]

**ITEM D-32. STATEWIDE PUBLIC SAFETY INTEROPERABLE COMMUNICATION SYSTEM REQUEST FOR PROPOSALS**

As passed by the Legislature, Assembly Bill 68 would have required the Department of Military Affairs to issue a request for proposals to replace the existing Wisconsin Interoperable System for Communications (WISCOM) system within 30 days of the bill's effective date, and to execute a contract for the replacement system by July 1, 2022. *The Governor's partial veto deletes the deadlines for procuring the replacement system.*

[Act 58 Vetoed Sections: 9131(1)(a) and 9131(1)(c)]

**ITEM D-33. STATEWIDE PUBLIC SAFETY INTEROPERABLE COMMUNICATION SYSTEM REQUEST TO THE JOINT COMMITTEE ON FINANCE**

As passed by the Legislature, Assembly Bill 68 would have required the Department of Military Affairs to submit a report to the Joint Committee on Finance for approval that addressed:

(a) the rationale for selecting the proposed vendor; (b) the vendor's solutions to resolve capacity, coverage, and interference issues; (c) the vendor's current networks in the state and country; (d) the vendor's ability to comply with criteria established by the Interoperable Council or its subcommittees; (e) the extent to which the system could serve: current WISCOM users without compatible equipment, WISCOM users with an existing 800 MHz P25 system, WISCOM users with an existing VHF P25 system, and non-WISCOM users; (f) the number of agencies in each category previously described; (g) the system's ability to accommodate new users to enhance local radio coverage; (h) potential methods to use existing systems to reduce the system's costs or improve reliability; and (i) redundant systems and capabilities. The bill would have required the report to be submitted after the vendor had been selected but before the contract had been executed. ***The Governor's partial veto deletes the reporting requirement.***

[Act 58 Vetoed Section: 9131(1)(b)]

**ITEM D-34. TRUAX FIELD ELECTRICAL MICRO GRID SYSTEM**

As passed by the Legislature, Assembly Bill 68 would have required the Department of Military Affairs to: (a) conduct a study to determine the feasibility of constructing an electric microgrid system at Truax Field in Madison; and (b) submit a report on the findings of the study to the Joint Committee on Finance within 60 days of completing the study. ***The Governor's partial veto deletes the reporting requirement.***

[Act 58 Vetoed Section: 9131(2)]

**ITEM D-35. DEPARTMENT OF MILITARY AFFAIRS  
LAPSES TO THE GENERAL FUND**

<b>Chg. to Enr. AB 68</b>	
GPR-Lapse	- \$130,100

As passed by the Legislature, Assembly Bill 68 would have required the Department of Military Affairs to lapse \$130,100 GPR in 2021-22. ***The Governor's partial veto deletes this provision.***

[Act 58 Vetoed Section: 9231]

**TAX, LOCAL GOVERNMENT, AND ECONOMIC DEVELOPMENT**

**ITEM E-36. WITHHOLDING TABLE UPDATE**

<b>Chg. to Enr. AB 68</b>	
GPR-Tax	\$683,700,000

As passed by the Legislature, Assembly Bill 68 would have required the Secretary of the Department of Revenue to update the individual income tax withholding tables no later than October 1, 2021, to reflect the individual income tax rates, brackets, and sliding scale standard deduction in effect for tax year 2022. The

withholding table update would have taken effect January 1, 2022. *The Governor's partial veto deletes this provision. Compared to the bill as passed by the Legislature, estimated individual income tax revenues are increased by \$683.7 million in 2021-22.*

[Act 58 Vetoed Section: 9137]

**ITEM E-37. TRANSFER TO THE BUDGET STABILIZATION FUND**

<b>Chg. to Enr. AB 68</b>
GPR-Transfer - \$550,000,000

As passed by the Legislature, Assembly Bill 68 would have transferred \$550,000,000 from the general fund to the budget stabilization fund in 2022-23. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Sections: 19 (as it relates to the transfer to the budget stabilization fund) and 9201(1)]

**ITEM E-38. ANNUAL TRANSFER FROM THE GENERAL FUND TO THE TRANSPORTATION FUND**

As passed by the Legislature, AB 68 would have increased the current law, annual transfer to the transportation fund of 0.25% of general fund taxes for each year in the general fund condition statement as enacted in the biennial budget, to 1.0% on a one-time basis in 2021-22 and to 0.5% in 2022-23 and thereafter. *As partially vetoed, Act 58 would retain the one-time increase to 1.0% in 2021-22 and the increase to 0.5% in 2022-23, but would delete the provision that would make the increase to 0.5% permanent after 2022-23. As a result, the transfer would equal 1.0% in 2021-22, 0.5% in 2022-23, and 0.25% thereafter.*

[Act 58 Vetoed Section: 16]

**ITEM E-39. INTERCHANGE WITH LOCAL HIGHWAYS ON I-41 IN BROWN COUNTY**

As passed by the Legislature, AB 68 would have required the Department of Transportation (DOT) to construct an interchange with I-41 and local roads, near the intersection of Southbridge Road/French Road and Creamery Road in Brown County, as part of the enumerated I-41 major highway development project in Brown and Outagamie counties. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 281]

**ITEM E-40. LIEUTENANT GOVERNOR SECURITY**

As passed by the Legislature, AB 68 would have prohibited DOT from spending from the State Patrol general operations appropriations more in the 2021-23 biennium for the security and

safety of the Lieutenant Governor than was expended in the 2017-19 biennium. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 9144(8)]

#### **ITEM E-41. OFFICE OF INNOVATIVE PROGRAM DELIVERY AND DIRECTOR**

As passed by the Legislature, AB 68 would have created an office of innovative program delivery in the Department of Transportation (DOT) and specified administrative requirements, including appointing a director and assigning duties to the director, related to administering alternative highway delivery methods and programs. *The Governor's partial veto deletes these provisions.*

[Act 58 Vetoed Sections: 10, 290, 293, and 326]

#### **ITEM E-42. OFFICE OF INNOVATIVE PROGRAM DELIVERY POSITION SOURCE**

As passed by the Legislature, AB 68 would have required DOT to assign 1.0 FTE position to the office of innovative program delivery proposed to be created under the bill. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 9144(7)]

#### **ITEM E-43. DESIGN-BUILD PROJECT CONTRACTS, REPORTING, AND PROJECT DELIVERY**

As passed by the Legislature, AB 68 would have limited to six the number of contracts awarded for design-build projects, of which DOT could not expend more than \$250,000,000 as follows: (a) one low bid contract for a project with an estimated value of not less than \$5,000,000 and not more than \$25,000,000; (b) one best-value contract for a project with an estimated value of not less than \$25,000,000 and not more than \$75,000,000; (c) one fixed price variable scope contract with an estimated value of not less than \$25,000,000 and not more than \$75,000,000; and (d) three contracts with an estimated total value of not more than \$125,000,000. *The Governor's partial veto deletes the provisions related to the minimum estimated value thresholds for the low bid, best-value, and fixed price variable scope projects.*

In addition, as passed by the Legislature, AB 68 would have established a December 31, 2025, deadline for the completion of projects using the design-build method and would have prohibited a project being designated as a design-build project unless DOT was able to clearly define the scope of work. AB 68 would have also established requirements for the Department to prepare a written analysis of each project using the design-build method. *The Governor's partial veto deletes these provisions.*

[Act 58 Vetoed Section: 297]

#### **ITEM E-44. DESIGN-BUILD TECHNICAL REVIEW COMMITTEE EXPERIENCE REQUIREMENTS**

As passed by the Legislature, AB 68 would have included the following for three of the five technical review committee members appointed by the DOT Secretary who would be responsible for evaluating design-build project bids: (a) an employee of the Department representing a DOT regional office who has at least five years of experience in the transportation construction industry; and (b) two employees of the Department representing the DOT division responsible for transportation project development, each of whom have at least five years of experience in the transportation construction industry. *As partially vetoed, Act 58 would retain the creation of a technical review committee and certain criteria related to individuals who serve on the committee, but would delete the requirement that the DOT employees serving on the committee have at least five years of experience in the transportation construction industry.*

[Act 58 Vetoed Section: 298]

#### **ITEM E-45. REQUIREMENTS OF THE TECHNICAL REVIEW COMMITTEE IN REVIEW OF PRIOR AWARDED DESIGN-BUILD BIDDERS**

As passed by the Legislature, AB 68 would have specified that the technical review committee would make the determination as to whether a design-builder or member that has previously contracted with DOT has met the current law requirement of having a record of satisfactorily completing those projects. In making this determination, the committee would be required to consider whether the design-builder has completed all contracts in accordance with the drawings and specifications, diligently pursued execution of the work, completed the contracts according to the time schedule, fulfilled the guarantee requirements of the contract, and complied with specific safety requirements. However, the committee could not consider whether the design-builder or member exercised any legal rights specified in statute or rule or under a contract with the Department. *As partially vetoed, Act 58 would delete the role of the technical review committee in making a determination as to whether a design-builder or member, who have previously contracted with DOT, have a record of satisfactorily completing those projects.*

[Act 58 Vetoed Section: 301]

#### **ITEM E-46. REQUIREMENTS OF PROJECT DELIVERY FOR DESIGN-BUILDERS**

As passed by the Legislature, AB 68 would modify one of the current law minimum qualifications for design-builders to be considered a qualified bidder that relates to contractors who have worked on at least five projects administered by DOT. Specifically, the bill requires that such contractors would have to have been the prime contractor on at least five projects administered by DOT and the projects must have been in the last five calendar years. *As partially vetoed, Act 58 would delete the modifications to this current law minimum requirement for qualified bidders that relates to having worked on five DOT projects by deleting the requirements that the bidder must have served as the prime contractor on those projects and that the projects must have been completed in the last five calendar years.*

[Act 58 Vetoed Section: 303]

**ITEM E-47. DESIGN-BUILD NOTICING REQUIREMENT FOR REQUEST FOR QUALIFICATIONS**

As passed by the Legislature, AB 68 would have specified the following regarding advertisements of request for qualifications: (a) the request be published as a Class 1 notice in the official state newspaper and on the DOT's Internet site; (b) the advertisements may be placed in similar notices in publications likely to inform potential bidders; and (c) that information be provided as to where the request for qualifications may be obtained without regard to the qualifications of the person. *The Governor's partial veto deletes these provisions.*

[Act 58 Vetoed Section: 306]

**ITEM E-48. DESIGN-BUILD TECHNICAL REVIEW COMMITTEE PROCESS FOR PROPOSALS**

As passed by the Legislature, AB 68 would have made the technical review committee responsible for the current law process of reviewing design-build request for proposals and accepting alternative technical concepts and value engineering change proposals. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 308]

**ITEM E-49. DESIGN-BUILD PROCUREMENT MANUAL COMMITTEE AND REPORTS**

As passed by the Legislature, AB 68 would have required the Department to prepare a report that establishes a program structure for delivering design-build projects, specifies the types of projects to be considered, and specifies procedures and timelines for the bid process. The bill would have further required that DOT could not designate a design-build project prior to the completion of the report. *The Governor's partial veto deletes these provisions.*

In addition, as passed by the Legislature, the bill would have required the Department to prepare a design-build procurement manual to be created by a committee, which would be comprised of members specified in the bill. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 319]

**ITEM E-50. REPORT ON UNALLOCATED BUSINESS DEVELOPMENT TAX CREDIT AUTHORITY**

As passed by the Legislature, Assembly Bill 68 would have required the Wisconsin Economic Development Corporation to submit a report to the Joint Committee on Finance no later than January 31 each year identifying the amount of unallocated business development tax credit carried forward as of December 31 of the previous year. *The Governor's partial veto deletes this provision.*

[Act 58 Vetoed Section: 365]