



AGRICULTURE, ENVIRONMENT AND JUSTICE

DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION

1. Livestock Premises Identification

I am vetoing these sections because I object to the use of Agricultural Chemical Management funds for purposes for which they are not intended. The revenues from the fund are generated from feed, fertilizer, and pesticides, and are used for the regulation and oversight of those programs. Finally, there is no evidence that additional funds are necessary to manage this program. The department believes it can manage this program with existing funds.

DEPARTMENT OF CORRECTIONS

2. Alcohol Abuse Treatment Program

I am vetoing this section because I object to including a new unfunded mandate that will impede the department's ability to implement the existing expansion of the Earned Release Program included in this budget and would require additional resources and positions to be successful. In addition, the required submission as part of the 2019-21 budget request is premature. The Department of Corrections should ensure it has the positions and resources necessary to address the Earned Release Program before the department begins to develop new programs to address alcohol and drug abuse needs. The department will continue to evaluate the need for additional alcohol abuse programming and will request those needs in the department's agency biennial budget requests when appropriate.

3. Earned Release Program Expansion

I am vetoing the sections that modify the Earned Release Program from a substance abuse treatment program to a rehabilitation program that addresses needs related to an inmate's criminal behavior. I object to expanding the purpose of the program from its current form, as the department has demonstrated the need for increased substance abuse services. The additional resources provided under the bill for the current program should be fully utilized to meet the demands of the existing eligible population. Since 2011 Wisconsin Act 32, the Earned Release Program has been used to address eligible inmates' alcohol and drug related needs. Expanding the program to a rehabilitation program would be an administrative burden on the department and would require newly-eligible inmates to petition the court for participation. Instead, the department should focus on treatment for the existing eligible population under the current program. If there is a desire to expand the scope of the Earned Release Program beyond its current form, it would be more appropriate to do so through separate legislation with additional resources.

4. Inmate Work Opportunity Training

I am vetoing this section because I object to the creation of an additional mandated report which is administratively burdensome and would result in additional unfunded costs to produce. Further, the deadline for submitting the report is not practical. The department already reports on a number of variables relating to recidivism and reincarceration after release from prison, as well as the program outcomes served by the Becky Young program.



5. Long-Term Service Awards

I am vetoing the provision to provide the lump-sum anniversary awards. I object to providing the lump sum awards to a subsection of the Department of Corrections and Department of Health Services personnel. Existing provisions of the compensation plan should be used to reward select department personnel for the purposes of recognition of merit and employee retention. Further, the budget already includes two general wage adjustments of 2 percent each to state employees over the biennium, which is in addition to the 80 cent per hour increase Department of Corrections' officers, sergeants and youth counselors received in fiscal year 2015-16.

6. Mental Health Staffing at Oshkosh, Waupun, Green Bay and Columbia

I am vetoing the section that would require a report be submitted to address inmates with serious mental illnesses because it is unnecessary and would create an administrative burden on the department. The department may assess whether additional resources are needed as part of its 2019-21 agency budget request and provide data to accompany the request.

7. Opening Avenues to Reentry Success

I am vetoing the section that directs the Department of Corrections to submit a Wisconsin Results First Initiative report to the appropriate legislative standing committees because I object to creating an unnecessary additional report. The department already prepares a report of Becky Young community corrections expenditures and outcomes, which includes this program. In addition, the Results First Initiative is an independent project of the Pew Charitable Trusts and the John D. and Catherine T. MacArthur Foundation, which is already preparing a cost-benefit analysis of departmental policies and programs.

8. Planning Concerning Correctional Facilities

I am partially vetoing the section that establishes the size of the committee, and the number of appointees appointed by the Governor. I object to the requirement limiting the number of committee members appointed by the Governor, as the Department of Administration and the Department of Corrections will be actively participating in the master planning, and the number of individuals required to provide the expertise required to develop the master plan cannot yet be determined. Further, I object to the deadline established under the provision, as it may not provide sufficient time to complete a thorough master plan.

9. Geriatric Prison Facility

I am partially vetoing this provision because I object to the requirement that the bonding may only be issued upon approval of the Joint Committee on Finance. The approval of this project would be subject to State Building Commission oversight. The Commission has legislative representation and this project has already been enumerated in the budget bill approved by the full Legislature. Therefore, it should not require additional duplicative approval to release the bonding authority.



DISTRICT ATTORNEYS

10. Creation of a Prosecutor Board

I am vetoing this provision because I object to the creation of another layer of bureaucracy which is unnecessary and administratively burdensome and redirects valuable staff time away from prosecutorial activities and towards functions of the proposed Prosecutor Board. While I understand the importance of identifying evidence-based practices in the performance of the District Attorney function, creating a separate board whose duties resemble activities performed by an existing separate external organization dedicated to advocating on behalf of prosecutors is an ineffective use of taxpayer funding. In addition, when the current director position was filled last year, the duties were redesigned, and it was expected that the individual hired into the position would perform broader advocacy duties on behalf of DAs, without the need for a board.

Further, I am vetoing section 183 [as it relates to s. 20.548] because I object to adding administrative resources to an unnecessary board. By lining out the appropriation under s. 20.548, I am vetoing the part of the bill that funds the Prosecutor Board. I am also requesting the Department of Administration secretary not to allot these funds.

In addition, I direct to the Secretary of the Department of Administration to continue to support the functions of the state prosecutor's office within the department. Finally, I direct that the Department of Administration ensures that the individual on military leave serving on active duty who was displaced as a result of the elimination of the position in the Department of Administration be reemployed in support of this function under the provisions of the escalator principle, as permitted under the federal Uniformed Services Employment and Reemployment Rights Act of 1994.

JUDICIAL COUNCIL

11. Restore Judicial Council

I am partially vetoing section 183 [as it relates to s. 20.670 (1)(k)] by reducing the amount under s. 20.670 (1)(k) to \$0 in each fiscal year. I object to including these funds because the Supreme Court notified the Department of Administration on August 17, 2017 that it had issued an order utilizing its discretion under s. 751.20 to discontinue the transfer of funds from the Courts budget to the Judicial Council. Without sufficient funds, the Judicial Council cannot operate. With this veto, I am reducing the 1.0 FTE position in the appropriation under s. 20.670 (1) (k) in each year of the biennium. Further, as the appropriation is a continuing, all monies received appropriation, I am requesting the Department of Administration secretary to allot only the funds received by the Director of State Courts which it has agreed to transfer for obligations incurred in fiscal year 2017-18. Finally, I am requesting the Department of Administration secretary not to authorize the additional position authority.

LOWER WISCONSIN STATE RIVERWAY BOARD

12. Standard Budget Adjustments

I am partially vetoing Section 183 [as it relates to s. 20.360 (1)(q)] by lining out the amount under s. 20.360 (1)(q) and writing in a smaller amount that reduces the appropriation by



\$14,600 SEG in fiscal year 2017-18 and \$14,600 SEG in fiscal year 2018-19. I object to this provision because the conversion of a position from classified to unclassified status should not automatically trigger a pay adjustment, especially if no funds were budgeted for such an increase. The practice would set a bad precedent in the establishment of salaries in the unclassified service. I am requesting the Department of Administration secretary not to allot these funds.

DEPARTMENT OF NATURAL RESOURCES

13. Use of Unobligated Stewardship Bonding Authority

I am partially vetoing the requirement that the Department of Natural Resources fund the Eagle Tower project as a grant. This project is enumerated in the bill as a state project financed by existing general fund supported borrowing. It is unnecessary and duplicative to require the department to provide this funding as a grant. Further I am partially vetoing the requirement that the funding for the shelter project in the Horicon Marsh Natural Area be provided as a \$500,000 grant to the city of Horicon, and that the plan must be submitted to the Joint Committee on Finance for passive review. This project is on state land and does not require a grant to the city. Finally, I object to the requirement that the bonding may only be issued upon approval of the Joint Committee on Finance. Instead, I request that the Building Commission fund this project using bond proceeds and no additional duplicative approval to release the bonding authority should be required.

14. Vacant Forestry and Parks Positions

I am partially vetoing this section because I object to establishing a reporting deadline that may not give the Department of Natural Resources sufficient time to identify the positions to be deleted due to the delay in budget passage. As part of this budget act, the department reorganized its operations, and implementing the reorganization will result in significant technical changes, including the realignment of position authority in different forestry and parks operations. As a result, the department should be given sufficient time to identify the positions to be deleted. Instead, I ask the department to complete the report no later than April 1, 2018.

15. Council on Forestry Report

I am vetoing this section because I object to requiring the council to conduct this review without the completion of the recommended audit of the forestry account. This Act requires the Legislative Audit Bureau to audit the forestry account of the Conservation Fund to determine whether its expenditures support forestry activities. The results of the audit should be completed prior to preparing any recommendations on forestry account expenditures. Further, the Council can conduct such a study independently.

16. Tainter Lake Water Quality

I am partially vetoing this section because I object to focusing on one type of potential remedy to address the phosphorus and other water quality issues with the lake. Instead, I ask the Department of Natural Resources to study all available options, and use the funds for the remedies that are likely to lead to the most success in improving the water quality.



17. Wolf Damage Payments

I am partially vetoing these sections because I object to the use of "prorate" to characterize how claims are paid. The department pays damage claims based on the value of the damage established by administrative rule through a panel of experts. Further, I object to permitting more than three percent of the voluntary payments for the endangered resources program to be used for wildlife damage claims, as these funds should continue to be used primarily for improving land or habitats for endangered or threatened species. Finally, I object to specifically requiring the use of federal funds for this purpose in statute, as federal funds received by the department are designated for broad purposes. The department has had sufficient funds in the endangered resources general fund to satisfy all claims for several years, and the use of these other funds is unnecessary.

18. Permit Sale of Dyed Diesel Fuel to Recreational Motor Boats

I am vetoing this provision because I object to expanding the use of dyed diesel fuel for purposes outside of agriculture and the unnecessary use of GPR to fund the lost revenues. Because of the requirement that the transportation fund transfer certain revenues to the conservation fund based on the fuel tax rate, gallons and the number of annual motorboat registrations, rather than actual fuel taxes collected, this provision results in an unnecessary use of GPR to backfill the transportation fund for revenues it would otherwise collect under current law.

DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

19. Possession, Use and Transportation of Fireworks and Fireworks Manufacturer Fees

I am partially vetoing this section because I object to increasing fees on Wisconsin manufacturers. There is no evidence that an increase in the fee is required to support the program.

20. Information Technology Projects

I am partially vetoing Section 183 [as it relates to s. 20.865 (4)(g)] by lining out the amount under s. 20.865 (4)(g) and writing in a smaller amount that reduces the appropriation by \$2,200,000 in each fiscal year to veto the part of the bill that funds the information technology project. I object to creating an additional requirement in order to receive the funds. Under current law the department can submit a funding request for this project under s. 16.515. I am also requesting the Department of Administration secretary not to allot these funds.

21. Local Regulation of Quarries

I am vetoing these provisions because I object to inserting a major policy item into the budget without sufficient time to debate its merits. While I support the need to address quarry regulations and the ability to provide materials for public works projects in a timely manner, changes of this magnitude should be addressed as separate legislation where the implications can be more carefully explored.



EDUCATION AND WORKFORCE DEVELOPMENT

HISTORICAL SOCIETY

22. State Archive Preservation Facility

I am partially vetoing section 183 [as it relates to s. 20.245 (1) (a)] by lining out the amount under s. 20.245 (1) (a) and writing in a smaller amount that reduces the appropriation by \$44,000 GPR in the second year of the biennium. This state-of-the-art facility supports the State Historical Society's mission to collect, preserve and share the stories of Wisconsin's past. The state has recognized the importance of this mission by providing \$34.67 million – approximately 75 percent of the total cost of the building - in general fund supported bonding for the facility, and an additional \$8.4 million in general fund supported bonding for customized shelving systems. However, it is appropriate that the society partner with the state on an ongoing basis to support the cost of operating the facility, as the society is the primary tenant and has the ability to raise funds to support preservation of the precious historical artifacts, maps, and documents in its holdings. Other facility tenants will pay rent to support the facility as well. I am requesting the Department of Administration secretary not to allot these funds.

LABOR AND INDUSTRY REVIEW COMMISSION

23. Survey of Labor and Industry Review Commission Decisions

I am vetoing this section in its entirety because the study is unnecessary and unlikely to yield useful information.

TECHNICAL COLLEGE SYSTEM BOARD

24. Sunset of the Educational Approval Board

I am vetoing Sections 9111 (1p), 9411 (1p) and (1q) related to the sunset of the board because retaining the board as an entity is unnecessary; the department will provide oversight for the board's functions. As a result of this veto, the board will be eliminated immediately.

25. Educational Approval Board Incumbents

I am partially vetoing the provision related to retaining the incumbent employees in order to provide the department with flexibility related to staffing. As a result of this veto, only positions will transfer to the department.

UNIVERSITY OF WISCONSIN SYSTEM

26. Performance Funding

I am partially vetoing these provisions for three reasons. First, performance-based funding in higher education should vigorously challenge institutions to improve, and the provisions do not support this level of challenge. Second, I object to limiting the ability of the Board of Regents to reward high-performing institutions, especially if institutions may not choose metrics upon which to be



measured. Third, I believe a passive review process does not provide sufficient transparency around such a significant initiative.

The performance funding initiative includes a substantial investment of state dollars, and as such demands achievement and accountability. Allowing institutions to choose the metrics upon which to be measured is likely to result in funding allocations based upon metrics that are easiest for institutions to improve upon or maintain. This partial veto deletes the ability of institutions to choose performance funding metrics, which will ensure funding incentivizes institutions to improve and excel in many areas. Additionally, I am vetoing the cap on funding that is allocated based on excellence so that the board may decide how much funding is given to high performing institutions; this will encourage institutions to focus on the performance metrics and give the board flexibility in developing a formula. Finally, this partial veto accomplishes transparency by requiring a meeting under s. 13.10 for approval of the board's formula; the review by the Joint Committee on Finance should be undertaken publicly.

27. Innovation Fund

I am partially vetoing this provision because it lacks specificity as to the meaning of high demand, and does not require high demand to relate to state priorities (such as creating the workforce needed by the state's employers). As a result of the veto, the Board of Regents will not have specific authority to determine the definition of high demand. I am directing the Board of Regents to consult with the Department of Workforce Development in developing a request for proposals for grants in order to ensure that chosen programs address state workforce needs.

28. University of Wisconsin System Audits

I am partially vetoing this section because the Legislative Audit Bureau will continue to have other auditing responsibilities related to the Comprehensive Annual Financial Report, the statewide Single Audit report, and the Annual Fiscal Report - each of which incorporates financial information from the University of Wisconsin System. Additionally, this will ensure that both an independent audit and an audit by the Legislative Audit Bureau will be done separately and all parties will have the opportunity to compare auditing practices and findings to determine whether an independent audit is appropriate beyond this biennium.

29. Wisconsin Institute for Sustainable Technology

I am partially vetoing this provision by lining out the appropriation under s. 20.285 (1) (sp) and writing in a smaller amount that deletes \$440,000 in fiscal year 2018-19. This results in a one-time grant to the institute and avoids committing environmental fund monies for this purpose in the future, before the condition of and pressures on the environmental fund are known. The environmental fund supports activities that are critical to protecting the state's environmental resources through programs such as recycling grants, nonpoint runoff abatement, and solid waste and air management. The University of Wisconsin System has access to other resources to support the institute. I am requesting the Department of Administration Secretary not to allot these funds.

30. University of Wisconsin-Green Bay Tribal Gaming Appropriation

I am vetoing this provision by lining out the appropriation under s. 20.505 (1) (km) and writing in smaller amounts that delete \$247,500 in each fiscal year because I object to the historical use of these



funds, which is to support the institution's athletic programming and is not directly related to tribal affairs. I am requesting the Department of Administration Secretary not to allot these funds.

31. Flexible Option Program

I am partially vetoing this provision so that the required increase in program offerings by December 1, 2019 is 100 percent. The Flexible Option program is a unique, powerful and affordable tool for nontraditional students to earn degrees or certificates. I believe the University of Wisconsin System can and should aggressively pursue expansion of this program, which will benefit the system, students and employers. Therefore, a 100 percent increase is a more appropriate requirement to challenge the University of Wisconsin System than a 25 percent increase.

PUBLIC INSTRUCTION

32. Energy Efficiency Revenue Limit Adjustment

I am partially vetoing this section to limit adoption of such resolutions to before January 1, 2018 or after December 3018. I object to the temporary suspension of this revenue limit adjustment because I believe school districts should be required to use referenda to bypass revenue limits. Many of the recently adopted resolutions for energy efficiency measures allowed school districts to exceed revenue limits by a significant amount. Taxpayers should have a direct voice when large property tax increases are under consideration. This veto will maintain the ability for school districts to ask taxpayers if they wish to exceed revenue limits and eliminate an exemption that has been viewed as a loophole to revenue limits.

33. Low Revenue Adjustment

I am vetoing this section entirely because the result is a substantial increase in property tax capacity that school districts may exercise without voter input. In several school districts that would be eligible to raise taxes under these sections, referenda to exceed revenue limits already failed within the past two years. An increase in revenue authority from the state in these districts would circumvent purposeful, local actions.

It should also be noted that in some cases, the same districts that would have become eligible to increase their revenues with this adjustment have increased their base revenues at a rate higher than the state average. This brings into question the need for this adjustment and highlights the need for local taxpayer input before a revenue limit adjustment is made.

As a result of this veto, the low revenue adjustment level for school districts will remain at \$9,100. School districts across the state will benefit from other significant education investments in this budget, including meaningful increases in per pupil aid. These per pupil increases are equal among all school districts. Additionally, school districts could pursue an increase in their revenue limit through a referendum as is the case under current law. In fact, numerous districts have already done so by asking taxpayers through a referendum. Increases to the low revenue adjustment can be discussed in future state budgets.



34. School District Referenda Scheduling

I am partially vetoing these provisions to eliminate the ability of school districts to conduct the special elections to consider referenda as described above, but maintain the effective date of January 1, 2018 for the limitations on referendum scheduling. School referenda should be known and considered by the greatest number of voters possible, and limiting referenda to regularly scheduled election days will further this principle. Maintaining the delayed effective date will allow currently scheduled referenda to take place.

35. Whole Grade Sharing Aid

I am vetoing these sections in their entirety to eliminate the grant program for whole grade sharing and related reporting requirements. Whole grade sharing is intended to create savings, which should be a built-in incentive; however, school districts have not taken advantage of whole grade sharing since it became permissible under 2015 Wisconsin Act 55. Therefore, I believe these funds can be repurposed to support more effective programs that support rural schools.

36. Shared Services Aid

I am vetoing these sections in their entirety to eliminate the grant program for shared services. Sharing services will create savings for school districts; therefore, providing state grants would nullify savings to taxpayers that would result from local actions. Additionally, I believe these funds can be repurposed to support more effective programs that support rural schools.

37. Summer School Grants

I am partially vetoing these provisions to create a grant to the Milwaukee Public Schools for summer school programs. The program proposed in my Executive Budget was targeted to the district to augment the district's summer school expansion efforts. I object to the expansion of eligibility because it will dilute the funding, and therefore effectiveness, of the funds in the district. I also believe that language specifying outcomes is unnecessary absent a competitive process, and would diminish the ability of a district to employ the funds in the most effective way. As a result of this veto, the district will receive a grant of \$1,400,000 in fiscal year 2018-19 for summer school programs, and no other districts will be eligible to apply for these funds.

38. Virtual Charter School Funding Study

I am vetoing this provision to eliminate the report. I object to the increased administrative burden on the department.

39. Mental Health Services Grants

I am partially vetoing these sections as they relate to requirements on applicants and the requirement for an advisory committee. I believe schools should have maximum flexibility in designing and implementing these collaborations and therefore the statutes creating the program should be general, not prescriptive. Additionally, the requirement for an advisory committee is burdensome. As a result of this veto, the department will have broad flexibility to specify grant criteria in administrative rule without an official advisory committee; however, the department should seek input from interested parties informally.



WORKFORCE DEVELOPMENT

40. Technical Education Equipment Grants

I am partially vetoing the provision to delete the requirement for the department Secretary to appoint an advisory committee because this provision is administratively burdensome. The department presently seeks input from stakeholders and subject matter experts on a variety of issues and therefore a statutory advisory committee is unnecessary.



GENERAL GOVERNMENT, CHILDREN AND FAMILIES

DEPARTMENT OF ADMINISTRATION

41. Positions for Information Technology Purchasing Report

I am vetoing this section to remove the reporting requirement because I believe that placing reporting requirements in the statutes is both unnecessary and encroaches on the executive branch's responsibility to manage state agency programs within the statutes and funding levels set by the Legislature. This type of information can be requested by Legislators or the legislative service agencies at any time without creating an unfunded mandate in the statutes.

42. Replacement of Information Technology Contractors Report

I am vetoing this section to remove the reporting requirement because I believe that placing reporting requirements in the statutes is both unnecessary and encroaches on the executive branch's responsibility to manage state agency programs within the statutes and funding levels set by the Legislature. This type of information can be requested by Legislators or the legislative service agencies at any time without creating an unfunded mandate in the statutes.

43. State Transforming Agency Resources (STAR) Program and Benefits Realization Report

I am vetoing this section to remove this ongoing reporting requirement because I believe that it is unnecessary and redundant to information that has already been and will be provided to the Legislature. The department has been transparent about the implementation and financing of the STAR system, including presentations at the Joint Committee on Information Policy and Technology Informational Hearing on November 10, 2015 and on March 8, 2017, presentations on the new STAR assessment to all agencies in the spring of 2016, and written updates on each STAR release to the Legislature on February 3, 2016, December 30, 2016 and March 7, 2017. Furthermore, the department has provided, and will continue to provide until the appropriation is no longer in deficit, a significant amount of financial information each year when it submits its spending plan as required under s. 16.513.

44. Self-Funded Portal Annual Report

I am vetoing this section to remove the reporting requirement because I believe that it encroaches on the executive branch's responsibility to manage state agency programs within the statutes and funding levels set by the Legislature. In the Executive Budget, the department requested the conversion of the self-funded portal appropriation from annual to continuing, which would have given the department more flexibility in managing the appropriation and expanding the number of e-projects based on existing fee revenue available. As part of this request, the department was directed to report to the Legislature on these projects. Given that the Joint Committee on Finance elected to reject this proposal, it will be involved directly in any expenditure authority increase and can request any additional information it would like at that time.

45. Office of the Commissioner of Insurance Information Technology Position Transfers Report

I am vetoing this section to remove the reporting requirement because I believe that it is unnecessary as the biennial savings related to this initiative have already been estimated at 2.0 FTE PR positions and \$216,900 PR. If additional information is of interest, it can be requested of each agency during the 2019-21 biennial budget process.



46. Worker's Compensation Recording Equipment Report

I am vetoing this section to remove the requirement to study the issue further and present to the Advisory Council because I believe that it is unnecessary as this study can be conducted by the division without creating a statutory requirement.

47. Cost-Benefit Analysis of Leases

I am vetoing these sections in their entirety because I object to these additional restrictions on the state leasing program. Approving leases is a statutory responsibility of the Department of Administration and the State Building Commission, which includes legislative members. In addition, I am concerned that some landlords could try to use the proposed legislative approval process to circumvent the procurement process. However, I understand the policy goal behind this provision of ensuring that state agencies are evaluating alternatives before entering into large, long-term leases in order to find the most cost effective option and consequently, I am directing the department to review and improve its existing evaluation procedures for these types of leases.

48. Fee Report With Agency Budget Requests

I am vetoing this provision because I object to these requirements as they are burdensome and not directly related to the budget development process. In addition, although it is unclear what the legislative intent is behind this new mandate, the Legislature (or its service agencies) already has access to this information and has the authority to request any additional information at any time.

49. On-Site Delivery of Human Resources, Payroll and Benefit Functions at Select Agencies

I am partially vetoing the provision requiring the Department of Administration to provide on-site human resources, payroll and benefit services for select agencies because it will restrict the department's ability to achieve the maximum enterprise-wide staffing flexibility and efficiency possible from the human resources shared services initiative. Concerns regarding the location of human resources, payroll and benefit services and human resources staffing levels can be addressed through service level agreements that will be negotiated between agencies and the Department of Administration's Division of Personnel Management.

DEPARTMENT OF CHILDREN AND FAMILIES

50. Homeless Shelter Employment Services Grants

I am partially vetoing this section because the expansion of eligible organizations beyond shelter facilities and the inclusion of rent assistance as an allowable use of grant funds could diminish the intended effect of the grant dollars, which was to provide funding to existing Homeless Management Information System or State Shelter Subsidy Grant-participating homeless shelters for social workers and associated case management services. Expanding grants to organizations other than homeless shelters will reduce the ability of shelters to provide case management services. In addition, including rent assistance as an allowable use of grant funds could direct more funds to a short-term housing solution rather than the long-term employment solution achieved through case management services.



51. Work Participation Rate Reporting Requirements

I am partially vetoing this provision because statutory language specifying the timing of reporting intervals, requiring a plan for Committee approval, and encouraging a Section 1115 waiver is unnecessary. I support requiring the department to be more accountable regarding work participation rate issues, but it is sufficient for the department to periodically report updated information when it has it, which won't be on September 15, 2017 given the budget delay and may not be on six-month intervals. Requiring the submittal of an improvement plan for approval and language encouraging a Section 1115 waiver are unnecessary because the worker supplement created in the budget is the mechanism that the department will use to improve work participation rates in the state's Wisconsin Works program.

ELECTIONS COMMISSION

52. Funding for Elections Commission Positions

I am partially vetoing this provision by lining out the appropriation under s. 20.510(1)(x) and writing in a smaller amount in fiscal year 2017-18 and lining out the appropriation under s. 20.510(1)(a) and writing in a smaller amount in fiscal year 2018-19. The reduction in each year is \$304,100 and is equivalent to the salary and fringe benefit costs associated with five full-time equivalent positions. I object to the level of staffing approved by the Legislature given that the Elections Commission has been operating effectively with fewer staff. Rather than adding five additional permanent FTE positions, I believe that the commission can more cost effectively manage peak workload periods by hiring limited term employees or contractors, as they did during the 2016 presidential election.

ELECTIONS AND ETHICS COMMISSIONS

53. Elections and Ethics Commissioner Per Diems

I object to this provision because I believe that a \$227 per meeting statutory per diem paid to Ethics and Elections Commissioners is still out of line with per diems paid to members of comparable boards and commissions.

I am exercising the digit veto in section 17 in order to decrease the statutory per diem from \$227 per meeting to \$27 per meeting. Further, I am partially vetoing section 183 by lining out the amounts under s. 20.510 (1)(a) and s. 20.521 (1)(a) and writing in smaller amounts that reduce each appropriation by \$9,600 in each year of the biennium. With these vetoes, the statutory per diems paid to Ethics and Elections Commissioners will be better aligned with the statutory per diems paid to members of other state boards and commissions.

DEPARTMENT OF EMPLOYEE TRUST FUNDS

54. Group Health Insurance Program Changes & Group Insurance Board Directives

I am vetoing all of these sections in their entirety because I object to having the Legislature interfere with the responsibilities of the Group Insurance Board, which has set policy and overseen administration of the group health insurance plan for state and local employees, retirees and employers since 1959. The Legislature's role is to approve the compensation plan and set overall funding for the state group health insurance program. In addition, last session, the Legislature passed, and I signed, 2015 Wisconsin Act 119, which established new authority for the Joint Committee on Finance to approve or reject contracts to



provide self-insured group health plans to state employees. Thus, I believe that current law already provides a sufficient and appropriate oversight role for the Legislature. I do not believe that they should micromanage plan design, contract negotiations and the financial and programmatic management of the program. The provisions to be vetoed ensure that the Joint Committee on Finance have complete control over any change, no matter how small, to the program. This degree of oversight will not be workable, especially for a Committee that does not meet on a regular basis.

Furthermore, some of these provisions are unnecessary and administratively burdensome. For example, the board has already approved the participating health plans and rates for the calendar year 2018 group health insurance program and is committed to achieving the biennial savings target established by the Legislature. Any changes to the 2018 program made by the Joint Committee on Finance would require problematic contract amendments. Submitting any future changes to the plan design to the Committee for approval will also be problematic and may encourage additional lobbying of the Legislature by providers and employees. In addition, statutorily increasing the number of health plan tiers from three to five, does not make sense for counties where fewer than five plans are even offered. Furthermore, statutorily requiring reports and an audit by the Legislative Audit Bureau of the program reserves are unnecessary as the Group Insurance Board is already in the process of updating its reserve policies as part of its normal process.

Finally, direct involvement of legislators in the policy-setting and administration of the group health program could politicize a process that has worked effectively under Group Insurance Board oversight for the past 58 years. While the Legislature has a substantial role in setting statutory policy and establishing overall funding levels, the members of the board must develop significant expertise in health plan design and administration, while balancing the needs of the employers, employees and health plans. This is best achieved with the current composition of the board.

LEGISLATURE

55. 100th Anniversary of the State Capitol

I am vetoing this provision in its entirety because the State Capitol and Executive Residence Board has already authorized the use of funds from the Capitol Restoration Fund for this purpose.

56. State Capitol Basement Renovations

I am vetoing this provision to delete the enumeration for the State Capitol basement renovation. I believe that the State Capitol and Executive Residence Board should study the proposal and determine if renovations to the basement are the best use of funds or if renovations to other parts of the State Capitol would be a more beneficial investment.

PUBLIC SERVICE COMMISSION

57. Provision of Utility Services Effective Date

I am vetoing section 9437 (1t) to remove the effective date of the first day of the 13th month beginning after the effective date of the bill because I believe that the change to clarify that the department is not a public utility should be made immediately. I am, however, directing the department to continue to provide water and sewer services to these residents for twelve months after the effective date of the budget.



HEALTH SERVICES AND INSURANCE

DEPARTMENT OF HEALTH SERVICES

58. Supervised Release of Sexually Violent Persons

While I understand the importance of updating the process for placing sexually violent persons in the community, the issues the Department of Health Services and communities face in completing placement plans and how critical it is that these individuals be placed in appropriate settings for the health and safety of the citizens in those counties, I am vetoing these provisions as non-fiscal policy. This policy eliminates current law provisions requiring that residential options be a specific distance from any school premises, child care facility, public park, place of worship, or youth center and should therefore be thoroughly vetted through the regular Legislative process, with input from the public and counties.

59. FoodShare Employment and Training – Universal Referrals

I am vetoing this provision because there is no additional funding or positions included in the bill to implement this unfunded mandate. However, I am directing the Department of Health Services to develop a protocol for better informing all FoodShare applicants and participants about the FoodShare Employment and Training Program because I agree with the intent of the provision.

60. FoodShare Employment and Training – Cost to Continue

I am vetoing the report because I object to this administratively burdensome requirement.

61. FoodShare Employment and Training Pilot

I am partially vetoing this provision to remove the requirements that the regions be FoodShare Employment and Training vendor regions because I object to this arbitrary policy. I direct the department to determine which region or regions make the most sense for Wisconsin.

Second, I am partially vetoing the provision to remove the evaluation of the program because I object to requiring an evaluation of this provision before it can be expanded.

Lastly, I am partially vetoing the requirement that the department operate a pilot from April 2019 through June 30, 2020, because I object to this arbitrary and administratively burdensome timeline. The department requires flexibility in operating this program and an arbitrary timeline impedes on the administration's ability to successfully implement this provision.

62. Medical Assistance Coverage of Complex Rehabilitation Technology

I am vetoing this provision because I believe there may be unanticipated costs to the Medical Assistance program and that the language presented may inadvertently limit availability for this service in rural areas of the state. I object to this policy item being placed in the budget without giving the department, Medical Assistance recipients, health care providers and the public an opportunity to publicly debate its merits. While this provision may have merit, the Legislature should review the impact further and forward legislation when the impacts have been analyzed and such issues have been resolved.



63. Exemption from the Nursing Home Bed Assessment

I am vetoing this provision that creates an exemption for county-owned institutions for mental diseases and state licensed nursing homes, which are not certified to participate in Medicaid and Medicare, from the nursing home bed assessment because the practice would violate a Centers for Medicare and Medicaid Services requirement that the assessment be "broad based" in design and is therefore not allowable.

64. Childless Adult Employment and Training Waiver

I am vetoing this section because I believe these requirements will infringe on the Department of Health Services' ability to negotiate a successful waiver with the Centers for Medicare and Medicaid Services. Further, I object to the creation of unnecessary and burdensome reporting requirements that could delay approval of the waiver, jeopardizing these reforms from being implemented.

65. Family Care Funding

I support efforts aimed at increasing rates paid to direct care service providers. However, I believe the requirements of this provision to be administratively burdensome and am vetoing it in two ways. I am partially vetoing the provision to remove the date by which the department must seek federal approval for the rate methodology because I object to this burdensome timeline and believe the department should seek federal approval when it is appropriate to do so, and not at an arbitrary time.

Further, I am partially vetoing the provision to remove the requirement for the department to seek funds under s. 13.10 because I believe it is administratively burdensome. As a result, the supplement of funds to implement this provision will be made from the appropriation under s. 20.865 (4)(a) without the approval of the Joint Committee on Finance.

66. Family Care Partnership Program

I am vetoing this section because a waiver request is not necessary to expand the Family Care Partnership Program and I object to the creation of this unnecessary and burdensome process. However, I support expansion of the Family Care Partnership Program and am directing the department to explore expansion opportunities throughout the state.

67. Self-Directed Services Waiver for Post-Secondary Education

I am vetoing this section because these requirements are substantially similar to current law provisions directing the department to request a waiver. The federal government has indicated the provisions are not permitted under federal regulations and law regarding Medicaid home and community-based services.

68. Nursing Home Bed Licenses

I am vetoing this section because there is a current law process by which nursing homes can transfer licensed beds and I object to the creation of this redundant process. I further object to the increase in the number of licensed nursing home beds which is a deviation from the department's long-standing nursing home bed moratorium and the decades-long trend toward community-based long-term care. However, I understand the issues facing the nursing home industry and direct the department to work



with stakeholders to identify any alternatives available to increase a nursing home's licensed bed count.

69. Intensive Care Coordination Pilot Program

Overuse of the emergency room system leads to needless expense, crowding and reduced access to those individuals in need of true emergency services. I support efforts to reduce emergency overuse. However, I am vetoing this provision because I believe efforts to address this systemic problem should be broad-based and not aimed at one or two health care systems. Further, I believe that incentives of this nature should be tied to performance in order to best utilize taxpayer dollars and ensure the best outcomes for program participants. Lastly, Wisconsin has a strong history of managed care and a pilot of this nature reverts back to a fee-for-service and more costly payment model.

70. Clinical Consultations

I am partially vetoing this provision to remove the report on utilization of services because I believe this report is administratively burdensome.

71. Emergency Physician Services and Reimbursement Workgroup

I am vetoing these provisions because they are duplicative of current managed care and care coordination efforts in the Department of Health Services. I direct the department to continue their efforts.

72. Study on the Use of Physical Medicine and Proposal for Physical Medicine Pilot Program

I am vetoing these provisions because I believe they are overly burdensome and the requirement for Legislative authorization prior to any departmental action encroaches on the executive branch's responsibility to manage state agency programs within the statutes and funding levels set by the Legislature. The Department of Health Services already covers alternative treatments for pain management. I direct the Department of Health Services to work with providers to encourage participation among Medical Assistance program recipients.

73. Youth Crisis Stabilization Facility

I believe both a youth crisis stabilization facility and a peer-run respite center for veterans are important tools for the department to support and treat individuals with complex mental health needs and potentially significant mental health crises. I object to the overly burdensome requirements laid out in the bill and believe they will impede the ability for the department to negotiate and enter into contracts for both services, thereby delaying critical treatment options for some of Wisconsin's most vulnerable citizens. In order to give the department full flexibility in implementing these important programs, I am partially vetoing the provisions in the following ways.

First, I am partially vetoing section 183 [as it relates to 20.435 (5) (kd)] and vetoing section 379j to remove the appropriation for the youth crisis stabilization facility. Further, I am vetoing section 9120 (1b) to remove any requirements for the department to seek funding from the Joint Committee on Finance to implement this program. I object to this overly burdensome process and believe this type of treatment center should be implemented as soon as the department believes it is feasible to do so. I



am also partially vetoing section 183 [as it relates to s. 20.865 (4) (g)] by lining out the appropriation and writing in a smaller amount that reduces the appropriation by \$1,245,500 in fiscal year 2018-19.

Next, I am partially vetoing section 183 [as it relates to s. 20.435 (5) (kp)] related to the peer run respite center for veterans by striking the words "veterans peer run respite" from the title of the appropriation to broaden its scope in order to fund both the peer run respite center for veterans and a youth crisis stabilization center. I am also partially vetoing section 379p to further broaden the scope of the appropriation. However, I direct the department to expend at least \$450,000 PR for a peer-run respite center for veterans and at least \$1,245,500 PR for a youth crisis stabilization facility, consistent with the amounts approved for each by the Legislature.

Further, I am partially vetoing section 377 to allow sufficient funding to be transferred from the appropriation funding operations of the mental health institutes to fund the youth crisis stabilization facility and the peer-run respite center for veterans.

Lastly, I am partially vetoing the provisions to ensure ongoing funding for both the peer run respite center and the youth crisis stabilization facility.

I believe these changes will allow the department to implement these important mental health treatment options in the most efficient manner possible.

74. Disposition of Surplus Revenue Balance in the Mental Health Institutes Appropriation

While consultation between the Department of Health Services and counties is an integral part to setting policy, I am vetoing these provisions as I believe they are overly burdensome for the agency and encroach on the executive branch's responsibility to manage state agency programs within the statutes and funding levels set by the Legislature. In addition, these consultations already occur without a statutory requirement.

75. Office of Children's Mental Health Travel Reimbursement

I am vetoing this provision because the Department of Health Services has the ability to provide funding for this purpose and so the authorization in statute for the department to fund these costs is duplicative and unnecessary.

DEPARTMENT OF VETERANS AFFAIRS

76. Veteran's Trust Fund and State Veterans Homes

I am vetoing these provisions because I object to the creation of a series of additional mandated reports which are administratively burdensome and redirects valuable staff time away from care for veterans. Further, I believe these requirements encroach on the executive branch's responsibility to manage state agency programs within the statutes and funding levels set by the Legislature.



TAX, LOCAL GOVERNMENT AND ECONOMIC DEVELOPMENT

BUDGET MANAGEMENT

77. General Fund Structural Balance

I am vetoing this section for several important reasons.

First, I am vetoing this section because I object to the unnecessary constraint that this provision places upon the Governor's budget recommendations. Prudent budgeting can, and has been, undertaken without this constraint. This unnecessary limitation would prohibit the Governor from recommending the return of excess funds at the beginning of the second year of a fiscal biennium to the people of Wisconsin through reduced taxes, increases in state aid or enhanced state programs.

Second, I am vetoing this section because it is poorly placed in the budget process and, consequently, can be expected to create unnecessary uncertainty for the funding of state programs. It is poorly placed because the Governor's budget recommendations are made prior to the final general fund revenue estimates used for budget passage that the Legislative Fiscal Bureau typically makes in May of each odd number year. As a result, this section may generate unneeded angst regarding the funding of a wide variety of state aids and programs despite an expected excess balance in the state's general fund.

Third, I am vetoing this section because it establishes a standard contradictory to Legislative action. This requirement would submit the Governor's budget to a constraint that the Legislature has explicitly excluded itself from in recent budgets, including this 2017-19 budget act.

Finally, I am vetoing this section because it forces the Executive Budget Bill to be incomplete, in that it cannot be fully tailored to address the state's fiscal circumstances. By prohibiting all Governors, both current and future, from having the current level of budget flexibility in making Gubernatorial budget recommendations, it gives the Legislature an incomplete outline, direction and vision to move the state forward in the best manner possible just as the Legislature begins its budget deliberations.

GENERAL FUND TAXES

78. Refundable Business Tax Credit Claims

I am vetoing these provisions because I object to transferring these responsibilities from the Department of Revenue to the Wisconsin Economic Development Corporation, which may result in a diminution of internal controls that safeguard against incorrect payments. I appreciate the desire for efficiency by consolidating functions with the corporation, but the department has a well-established system to prevent incorrect payments of these credits that would be unnecessarily jeopardized by transferring these functions to the corporation.

79. Limit on Enterprise Zones

I am vetoing these provisions because I object to fully removing the 30-zone limitation on the corporation while also imposing limitations on credit payments that could result in uncertainty for recipients regarding when their credits, which are subject to existing contracts specifying timetables for payment, may be claimed. The biennial limitation on verifications may result in situations where



key Wisconsin companies would face significant delays between when their qualifying activity takes place and when they may claim the credits for those activities. This would weaken the attractiveness of the enterprise zone program for businesses, potentially harming the ability of the state to attract and retain businesses.

80. Historic Rehabilitation Credit

I am partially vetoing this because I object to continuing this program with almost no limitation on the amount that can be awarded each fiscal year. The \$5 million per parcel limitation does little to curtail the fiscal effects of this program, which has swelled to cause an annual tax revenue loss exceeding \$60 million, making it one of this state's most expensive economic development incentives. My budget proposal included a recommendation to limit program awards to \$10 million annually and institute competitive awards of those credits to emphasize job creation potential, among other considerations, in order to balance the state's fiscal exposure with the needs of local communities. Reducing the per parcel cap to \$500,000 per parcel leaves unchanged the incentives for many of the projects in smaller communities across Wisconsin while reducing the state's fiscal exposure on larger projects. I am maintaining the July 1, 2018, effective date for this new cap to allow projects currently under consideration time to incorporate the limitation into their plans.

Roughly half of states have per project caps and a third of those states have per project caps at or lower than \$500,000. Of the awards approved since 2014, just under half have been for \$500,000 or less.

Further, while I support the reasonable changes made through this veto, the Legislature could pursue separate legislation that more closely mirrors my original budget recommendations to more thoroughly reform this program, addressing both the state's fiscal exposure and program objectives in a comprehensive manner.

The fiscal effect of this veto is estimated to be an increase in general fund tax revenue of \$1,220,700 in fiscal year 2018-19, \$12,062,900 in fiscal year 2019-20 and \$33,173,000 in fiscal year 2020-21. Savings would grow to \$46,241,200 in fiscal year 2021-22 and \$47,390,000 annually beginning in fiscal year 2022-23.

81. Working Families Tax Credit

I am vetoing this section because I object to entirely eliminating the Working Families Tax Credit instead of addressing the narrower issue of ensuring that credits may only be claimed by full-time Wisconsin residents, which I proposed in the Executive Budget for the 2017-19 biennium. The fiscal effect of vetoing this provision will be a loss of \$200,000 in general fund tax revenue in each year of the biennium.

82. Private Label Credit Card Bad Debt Deduction

I am partially vetoing this section to delay the effective date to July 1, 2078, because I object to incurring a large fiscal effect in this biennium. The effect of this veto will be to achieve the same result as my original budget recommendations. These funds may be better spent on broad-based relief such as with a sales tax holiday that was included in my original budget recommendations as opposed to a provision that will benefit only select financial institutions. Partially vetoing this provision will increase sales and use tax collections by \$10,436,000 in fiscal year 2018-19.



83. Sales Tax Exemption for Broadcast Equipment

I am vetoing this provision because I object to providing a sales and use tax exemption that does not have any clear tax equity or economic purpose. It is unclear if any meaningful activity would be incentivized by this exemption. Further, there is no compelling tax equity issue being addressed by this sales and use tax exemption. This may be better reviewed as separate legislation. Vetoing this provision will increase annual revenue collections by \$928,000 beginning in fiscal year 2019-20.

84. Alternative Minimum Tax Repeal Technical Correction

This section sunsets the state alternative minimum tax with taxable years beginning after December 31, 2016. Separately in the bill, nonstatutory language specifies that the effective date for the repeal is for taxable years beginning after December 31, 2018.

I am partially vetoing this section to remove the “2016” reference in the applicable taxable years, which is inconsistent with the general effective dates of this provision and the Legislature’s stated intent. The intent of this provision is to sunset the state alternative minimum tax with taxable years beginning after December 31, 2018. This corrective partial veto will leave the only sunset date as the nonstatutory language setting the initial applicability of the repeal as December 31, 2018.

LOCAL GOVERNMENT

85. Duties of the Milwaukee County Comptroller

I am vetoing this section because I object to how the increased specification of duties for the Milwaukee County Comptroller in state law will diminish how the county may best structure its administrative responsibilities.

86. County Board Approval for Sale or Lease of Land Owned by Milwaukee County

I am vetoing these sections [as these sections relate to land transactions in Milwaukee County] because these changes would hinder recent progress made to provide the Milwaukee County Executive with effective and efficient means to conduct the county’s business transactions.

87. Conduit Revenue Bonds

I am vetoing this provision because this is nonfiscal policy that should be vetted as separate legislation.

88. Ordinances Conflicting with Statutory Provisions

I am vetoing this provision because I object to inserting a broad provision which may violate home rule under the Wisconsin Constitution for cities and villages. The statutes already provide the ability to regulate matters of statewide concern that could affect political subdivisions.



DEPARTMENT OF TRANSPORTATION

89. Transfer of State Car-Killed Deer Removal Program

I am partially vetoing this provision in several ways because I object to the appropriation under which the Department of Transportation is to fund its costs pertaining to the removal of car-killed deer and I object to the restrictions placed on the department's flexibility to address the removal of car-killed deer.

I am vetoing the requirement to fund the removal of car-killed deer from the department's departmental management and operations, state funds appropriation under s. 20.395 (4) (aq) because this requirement would take funding away from other priorities for the department's operating expenses given that no additional funding was provided to the department for car-killed deer removal.

I am vetoing the prohibition that specifies that the removal of car-killed deer is not a routine highway maintenance activity because this prohibition conflicts with current law. Through its routine maintenance agreements for county-performed maintenance on state highways, the department already has the authority under s. 84.07 (1) to perform, "all routine measures deemed necessary to provide adequate traffic service" including the removal of car-killed deer.

I am also vetoing the requirement that the department must contract for the removal and disposal of deer killed by vehicles to provide the department with greater flexibility in administering these duties.

This provision placed an unfunded mandate on the Department of Transportation. Under my partial vetoes, however, removal of deer carcasses could be funded under the Department of Transportation's routine maintenance appropriation if a need arises.

Under my partial vetoes, the earlier intent to sunset the Department of Natural Resources program for car-killed deer at the end of fiscal year 2016-17 will be maintained.

90. Volkswagen Settlement

I am partially vetoing this section to eliminate the \$10,000,000 cap on Volkswagen settlement funds that may be used for state fleet vehicle replacement because I object to limiting the funds for state vehicle replacement to an amount below the state's potential replacement needs. As a result of my partial veto, Volkswagen settlement funds sufficient for the replacement of all eligible state vehicles will be available for this purpose. This partial veto will not, however, impact the total \$32,000,000 in funding set aside for a statewide local transit capital assistance program because the state can fully fund this amount by allocating a portion of the final third of Wisconsin's share of settlement funding that it will gain access to in the 2019-21 biennium.

91. Tolling Implementation Study

I am vetoing this provision to eliminate the requirement for the department to enter into a contract for a tolling study. This provision is unnecessary as the Department of Transportation may further study tolling under its own administrative authority at its discretion.



I am directing the Department of Transportation to continue to monitor and evaluate federal actions and directives that would impact Wisconsin's highway funding and review the need to further study tolling.

To make the \$2,500,000 SEG that was provided for this study more immediately available, I am lining out s. 20.395 (4) (aq) for fiscal year 2017-18 and writing in a smaller amount that excludes this funding. In doing so, I am vetoing the part of the bill that funds this provision. I am also requesting the Department of Administration secretary not to allot these funds. This action will increase the transportation fund's ending balance for the biennium by \$2,500,000.

92. Aeronautics Local Government Zoning

I am vetoing this section because it creates a safety hazard by increasing the risk of wildlife strikes to airplanes. The purpose of the 48-hour drainage requirement rather than a physical barrier is to prevent standing water from attracting wildlife that may pose a hazard to aircraft operations. This is a recommended practice under federal and state guidelines. I am also vetoing this section because it may conflict federal wildlife hazard management plans required by the Federal Aviation Administration (FAA) administrator.

93. State Highway Rehabilitation -- State Highway 154 (Sauk County)

I am vetoing this section because it interferes with the department's ability to prioritize rehabilitation work. Moreover, since the department has this work programmed for fiscal year 2019-20, this project could already be advanced into the 2017-19 biennium should funding become available.

94. Enumerate I-94 between USH 12 and STH 65 (St. Croix County)

I am vetoing this section because I object to efforts to side-step the current prioritization of major highway projects. In addition, the enumeration of this project at this time may create expectations that work may be undertaken on this project earlier than is likely to occur. As a result of my veto, the Department of Transportation will be able to consider this project in the context of all other projects which are under consideration – thereby allowing a comprehensive statewide approach to be applied.

95. State Highway Construction -- "Replace-In-Kind" Alternative Requirement

I am vetoing these sections because placing these requirements in statute is both unnecessary and potentially costly. The provisions are unnecessary because the Department of Transportation has already adopted a "replace-in-kind" approach as a standard strategy to limit the scope and cost of construction projects. This provision is also potentially costly because the placement of this requirement in statute may force the development of plans that will be known from the start as imprudent if clear safety or congestion needs unquestionably merit something beyond a "replace-in-kind" project plan.

96. Initial Applicability of the Repeal of Prevailing Wage Law

I am vetoing this section because I object to making the taxpayers of Wisconsin wait for nearly a year before they can begin to benefit from the cost savings to be created by the repeal of the state's prevailing wage laws. As a result of my veto, the delay of the repeal to September 1, 2018, will be deleted, so that the repeal of the state's prevailing wage law will, instead, be effective with the



effective date of the 2017-19 budget bill as a whole – and consequently, the effective date will be the day after publication of this budget act rather than nearly a year from now.

97. Transportation Projects Commission Temporary Changes

I am fully vetoing these provisions as they pertain to the Transportation Projects Commission and the positions for the commission because I object to the creation of the duplicative functions and duties that these sections create. I am also vetoing these sections to eliminate wasteful and unnecessary spending.

I am retaining, however, the requirement that the department contract with an independent engineering firm to prepare a report reviewing the department’s construction standards and project prioritization. I am partially vetoing the section that specifies the scope and due date of the independent engineering report, however, to eliminate the requirement that the department undertake the engineering study in consultation with the commission. I am making this partial veto because it is unnecessary to specify that the department must consult with the commission especially once the unneeded staffing for the commission is eliminated.

Under my veto, both the appropriation for \$150,000 GPR for the Transportation Projects Commission and the initial 3.0 FTE GPR positions are eliminated. In addition, I am writing down the GPR supplemental appropriation for the Joint Committee on Finance by \$550,000 in fiscal year 2017-18 by lining out s. 20.865 (4) (a) for that fiscal year and writing in a smaller amount to eliminate the funding set aside for additional Transportation Projects Commission staffing costs. I am also requesting the Department of Administration secretary to not allot these funds. I am further vetoing the provision allowing the commission to request up to an additional 4.0 FTE GPR positions under a 14-day passive review request to the Joint Committee on Finance. I am, however, directing the department to create an Office of Inspector General.

The sections pertaining to the Transportation Projects Commission include numerous problems and duplications. The staff provided to the commission would duplicate the duties of existing department positions. Permanent year-round positions for the commission are also wasteful because the activity of the commission is cyclical. The broad authority that these provisions give to the commission staff to access any record of the department means personal information from driver licenses, driver medical records and law enforcement investigations is available to the commission – thus jeopardizing the state’s compliance with confidentiality laws. Changing the membership of the commission whereby the Secretary of the Department of Transportation is potentially not a member creates a potential gap in program prioritization and the flow of information. Requiring commission staff to produce reports which are redundant with Department of Transportation duties is unnecessary. Sunsetting provisions pertaining to the commission’s membership and duties after June 30, 2021, creates unnecessary disruption to highway programming activities and oversight.

98. Transfer of Segregated Funds

I am partially vetoing these provisions because I object to the limitations created in this budget on the allocation of segregated funds among highway projects. The limitations placed on the amounts provided for the southeast megaprojects and the major highway projects, in particular, will inhibit the department’s ability to allocate funds in the most advantageous manner especially in light of the I-94 north-south corridor project funding provided for in separate legislation.



As a result of my partial vetoes of these sections, the department will be able to make dollar for dollar reallocations among all state and local road and highway projects – including the southeast megaprojects. My veto will ensure that the state can maximize the use of federal matching dollars and begin to implement state efforts to reduce local government’s costs immediately. While no overall increase in spending will be permitted by my partial vetoes, critical reallocations, especially to advance the southeast megaprojects will be enabled. None of these reallocations, however, will hinder my earlier commitment to keep all major projects on schedule to the highest degree possible within the overall funding provided under the budget bill.

I am also partially vetoing the Joint Committee of Finance review of reallocations under this provision because such review may impede the speed of the department’s efforts to bring projects to completion. I am further partially vetoing the requirement that the department provide a report on the consolidation of funds to the committee by May 1, 2018, because the study of such consolidation should remain as an ongoing function. My partial vetoes retain, however, the requirement for the department to study the effects of consolidating state moneys in the surface transportation program as our efforts to examine means to reduce local government costs must continue.

99. Railroad Corporation Condemnation Authority

I am vetoing these sections because it is possible that this limitation may be deemed an unreasonable interference with railroad transportation, which is prohibited by federal law. In addition, I am vetoing these sections because the requirement that the Legislature must enact a law prior to the acquisition of property through condemnation may cause excessive delays in railroad projects necessary for economic growth in the state.