STATE AFFAIRS
WISPOLITICS
Wisconsin's Premier Political News Service

Evers' budget veto message

Posted on Wednesday, Jul 3, 2019

Tony Evers
OFFICE OF THE GOVERNOR

To the Honorable Members of the Assembly:

I have approved Assembly Bill 56 as 2019 Wisconsin Act 9 and deposited it in the Office of the Secretary of State.

This past January, I delivered my first State of the State address. I noted then—and have repeated many times since—a phrase that is inscribed on the ceiling in the Governor's conference room: "The will of the people is the law of the land."

It was in the spirit of these words that we crafted a budget—The People's Budget—that represents the will of the people of Wisconsin. Our proposal, written by and with the people of our state, fully funded our schools and provided the largest-ever increase in funding for special education, expanded Medicaid and infused our healthcare system with millions of dollars to improve healthcare for all Wisconsinites by drawing down $1.6 billion in new federal funds, and offered a sustainable, long-term solution on transportation that ensured Wisconsinites would not have to foot the entire bill for fixing our roads.

Unfortunately, this budget that I have now signed is, in many ways, insufficient.

This is, in large part, due to the unfortunate lack of interest by some Republicans in the Legislature to work together and engage in constructive, bipartisan dialogue, and instead devoting far too much time to huffing and puffing. I met with 125 out of 132 legislators during the budget process, including 75 Republicans, and my administration has been ready, willing, and available to work together to find common ground, make changes, and work toward solutions. I believe the people of our state would have been better off in this budget if we could have found more common ground, even if it meant each of us not getting everything we wanted. But Republican leadership often chose political allegiance and scoring political points over the people of our state, and that is reflected in the budget that arrived on my desk.

Consequently, in recent weeks, I strongly considered vetoing the Legislature's entire budget because it did not do enough to ensure that our kids and schools have the resources they need to be successful. I believe it falls short of the proposal we offered. I believe the people of Wisconsin deserve more. And I believe we could do better.

But when I ran for this office, I said it was time for a change, and I made promises to the people of Wisconsin. I promised I would put politics aside to get things done. I promised I would lead with kindness, compassion, civility, and respect. And I promised I would put people first.

In the Governor's conference room, opposite the inscription about the will of the people, there is another inscription that reads, "The progress of a state is born in temperance, justice, and prudence."

When I took the oath of office just a few months ago, I incurred two important obligations as the Governor of our state. The first is an obligation to remember for whom I work—to ensure that the will of the people is the law of the land. And the second is an obligation to remember that progress is not beget by political pettiness, but by finding common ground.

Vetoing this budget in its entirety would have been more of the same divisiveness and petty, political theatrics that the people of Wisconsin have had to put up with for far too long.

And vetoing this budget in its entirety would have meant failing to acknowledge

that because of the budget we—the people of Wisconsin and I—proposed together, Republicans finally took a step forward in making the investments required for progress to occur.

Thus, I am exercising my broad constitutional authority to reshape this budget, to address areas where the Legislature failed to do the right thing or padded the budget with earmarks to buy votes, and to align it more closely with the budget we put together with the people of Wisconsin. This budget is a down payment on The People's Budget and the priorities of the people of Wisconsin. Today I am signing a better version of the Legislature's budget with the understanding that we are nowhere near where we need to be, and there is more work for us to do.

I have always said that there is more that unites us than divides us, so I will begin on the areas we were able to find common ground.

Our administration was able to both set and shape the parameters of this budget to ensure it was fiscally responsible while still making investments in many areas on which we can all agree and adding a record nearly $300 million to our budget stabilization ("rainy day") fund.

This budget makes good on my promise to deliver a 10 percent tax cut for working families. I vetoed a previous attempt by the Legislature to pass a middle-class tax cut similar to the one I promised because the decision needed to be made in the full context of the budget. Because of the bipartisan work that occurred at the end of the Joint Committee on Finance process, we now have a proposal that achieves the tax relief I promised. That is why I am proud this budget and Assembly Bill 251, together, include $500 million in overall tax cuts targeted not for those at the top of the income spectrum, but toward working, middle-class Wisconsinites across our state. This tax cut exemplifies what can happen when Republicans and Democrats work together to do what is best for the people of our state.

Similarly, this budget also accepts some of the strong investments included in The People's Budget and builds on the work my administration has done administratively and through executive action. Following my efforts to establish a Caregivers Taskforce, this budget includes a much-needed pay increase I have supported for the personal care workers and direct caregivers who toil day and night to take care of our most vulnerable and in-need Wisconsinites. In addition, because of my leadership counties are getting the largest-ever increase, $30.5

million over the biennium, in Children and Family Aids to support the child welfare system.

This budget also invests in our workers. Whether they are reviewing license applications or tax filings, helping people access life-saving services, working to protect wildlife and our environment, or ensuring folks can reenter our communities with the skills they need to be successful, their work matters, and they have earned the pay increase that is part of our budget. I also look forward to elevating employee voices and continuing to look for ways to support their service to our state.

And because I declared 2019 as the Year of Clean Drinking Water in Wisconsin, this budget invests more than $32.65 million in improving water quality throughout our state. These investments are important, but they do not go far enough to address the serious issues impacting our communities. Through my role as the Chair of the Great Lakes St. Lawrence Governors and Premiers, I will continue to lead with my colleagues throughout the region to address water contaminants like lead and polyfluoroalkyl substances (PFAS). I will also continue to work with legislators in both parties to make progress legislatively. In the meantime, I have directed my administration to connect the dots on improving water quality. More than two-thirds of Wisconsin residents use groundwater for their drinking water, whether through a private well or public water system. Working collaboratively, the leaders at the Department of Natural Resources, Department of Health Services, and Department of Agriculture, Trade, and Consumer Protection developed evidence-based statewide groundwater standards to protect and ensure clean groundwater resources. The standards we have set are among the most comprehensive in the nation and are used for regulating facilities, practices and activities that can affect groundwater. They apply to bottled water, approved agricultural chemicals, contamination site cleanup, regulation of solid waste landfills and more, including PFAS compounds.

The budget I am signing invests roughly $570 million more in our K-12 students, which includes nearly $100 million more in per pupil aid for our schools compared to the budget passed by the Legislature that I have added through the veto process. This budget also includes the first significant increase in revenue limit authority in a decade, and includes my recommendation to provide our lowest-spending districts with a little more funding without having to go to referendum. It remains critically

important that our state address the underfunding of our public school system, and while the increases in this budget are important, they are not enough.

Our transportation system has been neglected for much of the past decade and is in desperate need of sustainable investments. I promised the people of Wisconsin that I would provide the leadership it took to fix our roads and bring people together to find a long-term solution on which everyone could agree. For too long, Republicans punted on difficult decisions and allowed our infrastructure to crumble because they lacked the principled leadership it takes to increase revenues when it is needed. Putting projects on the state's credit card isn't sustainable. I am pleased that Republicans followed my lead in working toward paying for our infrastructure, something they were unwilling to do over the last eight years. My budget proposal set the standard for investment and the Legislature joined me in supporting more than $465 million in new funding for our highways, local roads, and transit aids. Notably, just as I recommended in my budget in February, $320 million of this critical revenue, will go directly for state highway rehabilitation. In addition, we will finally finish projects like the Zoo Interchange in Milwaukee County and make significant investments in initiatives that I support, including both passenger and freight rail. This budget also mirrors my 10 percent increase in general transportation aids, paratransit aid, and the tribal elderly transportation grant program, while also providing an inflationary bump to mass transit aids for the first time in years. We will also invest in our harbors, railroads and air traffic control system, all while keeping bonding at the lowest level in 20 years. Perhaps most importantly, this transportation budget recognizes the importance of increasing funding for local transportation and transit projects to ensure that local elected officials are able to respond to the needs of Wisconsin communities.

The Legislature also followed my lead on many other initiatives that were included in The People's Budget. That includes critical investments that make our communities healthier and safer, move us forward on comprehensive criminal justice reform, protect our natural resources, strengthen our workforce and promote economic development, and support our farmers.

Healthy Communities

•Protects the state's vital safety net programs including BadgerCare, FoodShare, the SeniorCare pharmacy benefit program, and the Supplemental Security Income and Caretaker supplements.

•In recognition of the direct care workforce shortages in the state, this budget provides over $230 million to support workers who provide direct care to Wisconsin's most vulnerable citizens in Family Care, nursing homes, and individuals receiving personal care services.

•Improves mental health treatment in our state by: (1) funding a portion of the non-federal share of the Medicaid Crisis Intervention benefit with $13.3 million;

(2)allowing the Crisis Program Enhancement grants to be used to establish or expand a crisis program; (3) providing $500,000 for the Child Psychiatry Consultation Program; (4) providing $100,000 for suicide prevention activities;

(5)expanding the definition of crisis to include any crisis not just a mental health crisis; and (6) increases reimbursement levels by providing $500,000 for mental health professions related to clinical consultations.

•Fully funds the Wisconsin Healthcare Stability Plan to stabilize the individual healthcare market and lower premiums for Wisconsinites by providing $200 million to reinsure high-cost individuals across all healthcare exchanges.

•Makes significant investments into treatment for Wisconsin's youth by providing an additional $44 million to expand the Mendota Juvenile Treatment Center by50 beds.

•Addresses long-standing safety issues at the Winnebago Mental Health Institute by providing 51 additional positions and $11.3 million over the biennium to better manage the intake process at the facility.

•Makes important investments in Wisconsin's rural healthcare providers by increasing funding by $9.9 million for the Rural Critical Care Hospital Supplement.

•Streamlines the application process for children's long-term care supports programs for children with intellectual or physical disabilities by implementing a statewide contract for intake, application, and screening functions.

•Provides $2.5 million over the biennium to increase reimbursement rates for dental services that are provided under Medicaid to individuals with intellectual or physical disabilities.

•Expands dental access, provides additional coverage option, and increases funding levels for the Seal-A-Smile program by providing $2 million over the biennium.

•Invests $14.2 million in lead testing and abatement and begins to address the issue of childhood lead poisoning.

•Provides $1.7 million over the biennium for 8 additional dementia care specialists and 1 tribal dementia care specialist in Aging and Disability Resource Centers.

•Increases funding by nearly 5 percent annually for health screening services through the Wisconsin Well Woman Program.

•Provides $1 million over the biennium for grants to free and charitable clinics and community health centers.

•Invests in the ombudsman program in the Wisconsin Board on Aging and Long-Term Care to address the increasing caseload of persons age 60 and older who are consumers of Wisconsin long-term care programs.

•Increases funding by $1.5 million over the biennium for the Wisconsin Veterans Home at King and the Wisconsin Veterans Home at Union Grove to provide supplemental nursing resources to the homes that care for Wisconsin veterans who need a nursing home level of care.

•Provides nearly $30 million, the largest state-funded increase ever, to support programs for Wisconsin veterans.

•Permanently supports the Veterans Outreach and Recovery Program, which connects veterans to community services and provides case management and support to veterans who have a mental health condition or substance abuse disorder.

•Provides $1.8 million over the biennium to fully fund a peer-run respite center for veterans, which will provide peer support services and hospital diversion services at no cost to veterans struggling with a mental health or substance abuse disorder.

•Provides $3.9 million over the biennium to fully fund a youth crisis stabilization facility that will provide residential mental health services to children whose needs

are greater than what is available in their community but not severe enough to warrant commitment to an institution.

•Provides $100,000 for a science-based public outreach effort related to vaccinations.

•Invests $2 million to expand the family medicine residency program of the Medical College of Wisconsin to support new faculty positions to increase the number of residents in the program, and ultimately retain more physicians in the state.

•Continues our commitment to the Medical College of Wisconsin by providing

$10 million in bonding authority for a new cancer research center that will allow the college to hire additional researchers, develop new therapies, and expand and consolidate laboratories, with the goal of bringing cancer cures to Wisconsin residents.

•Provides $7.5 million over the biennium to support programming that will directly reduce homelessness across the state.

•Provides $640,000 of tribal gaming revenue to fund architectural plans for a

36-bed residential facility to treat addiction in youth, primarily youth in Wisconsin tribes, which is being developed by the Stockbridge-Munsee and the Great Lakes Inter-Tribal Council.

Safe and Just Communities

•Increases the private bar rate for the Office of the State Public Defender, for the first time since 1992, from $40 per hour to $70 per hour to provide our citizens with prompt representation and save our counties money.

•Provides over 60 new full-time assistant district attorneys across the state, which is the first time the state has created any new full-time GPR-funded positions since 2007.

•Invests in the State Crime Lab at the Department of Justice by providing it with

7.4 FTE positions to address long-standing backlogs that were previously ignored.

•Provides $1.5 million in additional funding for our successful Treatment Alternatives and Diversion (TAD) program, taking it to its highest funding level ever at over $13 million over the biennium.

•Increases funding for our Opening Avenues to Reentry Success (OARS) program to expand it to 51 counties and by an additional 50 individuals.

•Invests in our correctional facilities to ensure they have the staffing necessary to carry out their duties to adequately staff newly created programs and reduce overtime.

•Provides funding to work towards meeting the state's obligations to close Lincoln Hills and Copper Lake schools and moving youth into the least restrictive appropriate setting as soon as practicable.

What's Best for Kids

•Doubles state support for school mental health programs over the biennium to provide increased access to professionals to assist children in our schools in need.

•Provides nearly $330 million, the largest nominal dollar increase in state general aid since the 2005-07 biennium.

•Increases state special education categorical aid funding for the first time since 2008-09 by providing over $95 million over the biennium in additional state support.

•Provides over a quarter of our lower-spending school districts the ability to increase their revenues if they choose without having to go to referendum.

•Provides the largest revenue limit adjustment for all school districts in a decade, which, over the biennium, provides districts with an increase in spending flexibility that is larger than all revenue limit increases over the prior eight years combined.

•Through my vetoes this budget will increase per pupil state categorical aids by nearly $100 million over the biennium.

•Increases the state share of the school day milk program for the first time in more

than a decade, which reimburses school districts for serving milk to students daily.

•Doubles state support for robotics league participation grants, which helped

180 middle school and high school teams across the state offset the cost of fees, kits and supplies necessary to participate in robotics competitions, to $500,000 annually.

•Provides $1.4 million over the biennium for the Wisconsin Reading Corps, which provides one-on-one reading tutoring to our youngest students, particularly in Milwaukee, where achievement gaps persist.

•Increases high cost transportation aid for rural districts by $1.6 million over the biennium to raise reimbursement rates to 90 percent of eligible costs.

•Enhances our rural teacher talent program, which provided placements, stipends and/or travel reimbursement to approximately 700 student teachers last year, by providing $2 million in additional funding over the biennium.

•Further increases school library aids by $5.7 million over the biennium, which will help school districts purchase books, instructional materials, library computers and software.

•Increases state aid for our Very Special Arts and Special Olympics programs by 33 percent over their existing funding levels.

•Invests $5.5 million over the biennium to support work-based learning for high school students, where demand for our local youth apprenticeship program continues to grow – the number of participating students has increased 94 percent over the past five years.

•Doubles state support by providing $3 million annually for school districts to continue to increase offerings for career and technical education as the number of claims for these grants more than doubled from 2014 to 2018.

•Provides $1 million over the biennium to assist school districts in purchasing equipment for advanced manufacturing classes and programs.

•Increases funding for county-run child welfare programs by more than $30 million

over the biennium, the largest increase in history.

•Provides over $85 million over the biennium to support increases to the Wisconsin Shares child care program.

•Provides $1.4 million in targeted investment over the biennium for improved child care options in the poorest zip code of the state, 53206 in Milwaukee.

•More than doubles the amount of funding to the Boys and Girls Clubs to expand the BE GREAT: Graduate program by providing $2.7 million in each year to help more Wisconsin students graduate.

•Provides an increase of $2.25 million over the biennium to support county child support agencies in their work to establish and enforce child support orders.

Higher Education and Workforce

•Increases state general aid for the Wisconsin Technical College System by $25 million, the largest nominal increase since at least 1993.

•Trains offenders for reentry and employment by providing funding from Wisconsin Fast Forward to the Department of Corrections that could be used for institutional job centers and mobile classrooms.

•Commits over $1 billion in bonding authority, the largest nominal increase ever, to modernize aging University of Wisconsin buildings and improve learning environments, which will help the system attract and retain students, faculty, and researchers.

•Provides $45 million over the biennium to the University of Wisconsin (UW) System for capacity building initiatives, while continuing to freeze resident undergraduate tuition to keep higher education affordable and mitigate student debt. Additionally, this investment in the UW will help the system use innovative programs to enroll more students and produce more graduates in high-demand fields.

•Continues to support worker training activities to boost Wisconsin’s economy through our Fast Forward program and investing in Project SEARCH, which supports collaboration among school districts and local businesses that provide training and

education youth with disabilities need to obtain employment.

Agriculture, Tourism and Economic Development

•Provides $48 million throughout the biennium, the largest amount ever, to expand the Broadband Expansion Grant program to reach more underserved areas of the state.

•Recognizes that the dairy industry is a critical part of our state's economy, which is why this budget invests $8.8 million over the biennium in a Dairy Innovation Hub at the University of Wisconsin System. This investment will draw top dairy farming researchers to our state, and ultimately help our dairy farmers grow their businesses.

•Provides $750,000 annually for farmers to engage in best management practices under the producer led watershed protection grant program.

•Provides additional staffing and equipment to the Department of Agriculture, Trade and Consumer Protection to speed up the approval process for growers of industrial hemp.

•Provides an additional $200,000 for the successful Buy Local, Buy Wisconsin grant program to continue to promote the sale of Wisconsin foods to local buyers.

•Invests $100,000 to further research on chronic wasting disease in our state.

•Creates an automatic license renewal option for hunters and anglers.

•Creates a new Office of Outdoor Recreation at the Department of Tourism, which will enhance our state's outdoor economy by promoting outdoor activities and building partnerships with outdoor-related businesses.

•Provides $1.6 million over the biennium for the Department of Tourism to conduct marketing and directs resources to tourism video production, which is critical in raising our profile as a tourism destination; tourism had a $21.6 billion impact on our economy in 2018.

Transportation

•Provides more than $465 million overall for transportation projects across the state, mirroring the vast majority of my proposals, and makes significant progress towards sustainable funding for transportation with the largest dedication of new, ongoing revenue to the transportation fund in a generation.

•Invests more ongoing revenue than ever before in our transportation infrastructure, while at the same time maintaining bonding at our lowest level in the last 20 years. Commitment of new, ongoing revenue will allow more dollars to go to roadway users instead of bond holders.

•Invests $320 million in additional funding for our State Highway Rehabilitation program, as I proposed, to continue maintaining this critical piece of our infrastructure.

•Provides $75 million in flexible funding for transportation and transit projects that best meet local needs.

•Provides an historic 10 percent increase ($66 million over the biennium) in available funding for general transportation aids, paid to counties, towns, villages, and cities.

•Invests in badly needed state support for our tribal transit aids, paratransit aids, seniors with disability aids, and mass transit aids at significantly higher levels than in recent years.

•Enumerates two important interstate highway projects in the southeastern and northeastern portions of our state.

•Finishes off the Zoo Interchange project as it was designed.

•Provides additional necessary bonding authority for passenger and freight rail preservation along with additional funding to repair railway crossings in our state.

•Continues to invest in our harbor assistance and aeronautics air traffic control system to fund harbor and airport improvements.

Tax Fairness

•Along with AB 251, a bipartisan proposal, provides $518 million in individual income tax relief in the form of income tax rate reductions targeting lower and middle income earners.

•Provides a meaningful, progressive shift in the state's individual income tax structure that we will seek to build upon in the future. Overall, approximately 92 percent of these income tax cuts for non-married filers will go to filers with adjusted gross income below $100,000 annually and 76 percent of tax cuts for married-joint filers will go to filers with adjusted gross income below $150,000.

•Typical middle class single filers will see an income tax reduction of approximately $136 annually while middle class married-joint filers will see a reduction of $182 annually when the tax rate reductions are fully implemented in tax year 2020.

•Keeps property taxes affordable for Wisconsin homeowners by aligning changes with estimated inflation.

Clean Communities

•Enhances science staffing at the Department of Natural Resources by providing an additional 2.0 FTE SEG science positions to research water and sources of contamination.

•Further enhances our work on addressing PFAS by providing $150,000 to develop a model to identify and prioritize sites with likely PFAS contamination.

•Provides $50,000 to conduct a survey of local and state emergency responders on the use of PFAS-containing firefighting foam.

•Authorizes $6.5 million in bonding authority for the Targeted Runoff Management (TRM) program, which provides municipalities with financial assistance for infrastructure projects to reduce nonpoint source pollution.

•Authorizes $4 million in bonding authority in the urban nonpoint source and storm water grant program, and the municipal flood control program.

•Authorizes $4 million in bonding authority for dam safety grants for the repair or removal of dams.

•Issues revenue bonds to fund the state match requirements and additional loans in the Safe Drinking Water Loan Program, which will result in future increased loan capacity for more drinking water projects and a reduction in general obligation debt service, and also extends the maximum loan period under the Safe Drinking Water Loan program from 20 to 30 years.

•Extends the Knowles-Nelson Stewardship program.

•Allocates up to $10 million of the remaining $25 million in Volkswagen emissions settlement funds for an electric vehicle charging station grant program administered by the Department of Administration and at least $15 million for the replacement of public transit vehicles.

Good Government

•Recognizes the value of our state workforce in serving the people of Wisconsin by providing almost $80 million in state funds to fund 2 percent annual general wage adjustments for most state employees.

•Provides nearly $36 million in state funds over the biennium to institute an hourly wage increase and pay progression for certain correctional officers and youth counselor positions, effective January 1, 2020.

•Provides over $1 million in state funds over the biennium for long-term service awards for Department of Corrections and Department of Health Services protective service positions, effective January 1, 2020.

•Directs emergency funding of $2 million to the Washington Island Electrical Cooperative to construct a more permanent solution in response to the natural disaster which damaged the utility lines that bring power to the island.

•Enhances customer service at the Department of Safety and Professional Services by providing $5 million to support ongoing information technology projects that will improve online services and processing times.

While the Joint Committee on Finance first began voting on individual items in the budget, the Legislature was told there was an anticipated $753 million increase in revenues above and beyond what I had to work with in my budget in January largely due to a one-time change in federal law. Clearly, this was an opportunity for us to

talk about the most responsible way to use these new projected funds, though again there was little to no apparent interest by Republican legislative leadership to work collaboratively in doing so. With these funds, I directed the Department of Administration to retire $56.2 million in additional state debt incurred in prior years that will save Wisconsin citizens $57.2 million over the next decade. Finally, my vetoes will also increase the state general fund ending balance over what the Legislature left going forward.

While this budget makes critical investments in areas that were included in The People's Budget, this is a down payment on the progress we must make in the next biennial budget. In the meantime, I will not stop fighting for items that Republican leadership took out of The People's Budget.

Wisconsin residents look to us as elected officials to be fiscally responsible and invest tax dollars wisely in our health, our schools, our natural resources, our roads, and our local governments that directly provide services to our communities. The budget I submitted earlier this year did each of those things. That is why I cannot begin to understand why Republicans in the Legislature are refusing to expand Medicaid and choosing to send $2 billion of Wisconsinites' hard-earned federal tax dollars to pay for Medicaid expansion in other states like New Jersey and Illinois.

Healthcare is the number one issue I hear about around the state. And 70 percent of Wisconsin citizens support expanding Medicaid because they understand it will allow us to expand coverage to more than 80,000 Wisconsinites, save $324 million in state tax dollars, and bring in $1.6 billion in new federal investment into our healthcare system in Wisconsin, allowing us to invest in healthcare initiatives that would improve the health and wellness of all Wisconsinites, and make healthcare more affordable by lowering premiums for folks who have private insurance.

Expanding Medicaid saves Wisconsin taxpayers money, and we all know that there are other important priorities that need investments, like our roads and our schools. Achieving better outcomes for everyone through Medicaid expansion is just common sense. We can't keep sending $1 billion per year of our residents' hard-earned federal tax dollars to subsidize Medicaid expansion in other states. These are our dollars. We should bring them home.

When we bring those dollars back to Wisconsin, that money can help support our

efforts like cleaning up our water and addressing lead poisoning around the state. We know we have work to do. There are 176,000 lead lines that need to be replaced across the state. These pipes carry contaminated water to Wisconsin families and lead to long-term developmental problems for our children. That is why my budget provided $40 million under the Safe Drinking Water Loan program to help communities fund lead service line replacement. Tackling this crisis is not cheap, but the cost of doing nothing is far greater—the health and well-being of our kids is at stake. By accepting federal funds and expanding Medicaid, we can increase workforce training for lead abatement workers, offer incentives for providers to ensure that children are tested for lead poisoning twice by age two, and expand the Birth to 3 Program to provide services to more children.

I kept my promise to the people of Wisconsin to withdraw our state from the Republican-led attack on the Affordable Care Act, but that was only one step in our fight for affordable, accessible healthcare for all Wisconsinites. Republicans are not listening to the will of the people who are asking us to expand Medicaid in Wisconsin. I am. That is why I will continue to fight for Medicaid expansion through separate legislation, future budget bills, and otherwise through every executive power I am afforded.

I have always said that what’s best for our kids is best for our state. That is why I am glad that this budget includes a $97 million increase in funding for special education—the largest ever—as well as a $330 million investment in general school aids—the biggest increase in more than a decade. This budget also increases funding for those seeking access to mental health services, kids participating in our school day milk program and our rural schools incurring the highest transportation costs. But this progress does not go far enough. That is why I used my broad veto authority to add nearly $100 million more in per pupil aid for our schools compared to the budget passed by the Legislature. I will not stop fighting for our kids, meaningful investments in our schools, and school finance reform that I have sought for more than a decade.

This proposal has about a third of The People’s Budget’s $1.4 billion investment in our kids, educators, and schools, and Republicans failed to keep their promise that their own Blue Ribbon Commission recommended to get to two-thirds funding for our schools. I proposed a larger but appropriate investment, particularly in special education, because we cannot continue asking folks to tax themselves at the local level to pay for priorities the state should fund.

More than one million Wisconsinites have voted to raise their own property taxes to support their schools in recent years because Republicans have failed to fully fund public education, and according to the Wisconsin Policy Forum, voters approved more than $2 billion in debt and revenue increases for local schools in 2018 alone. This is not sustainable, and more districts like the Palmyra-Eagle Area School district will continue to have to make unfair, difficult decisions, or potentially even dissolve due to lack of funding because we are not making the necessary investments. That means we have work to do. My door remains open to any legislator from either side of the aisle who wants to get serious about achieving two-thirds funding, investing more in special education, and ensuring that rural and urban schools alike have the resources they need to provide every kid, no matter their zip code, with access to high-quality public education.

We also need to do more to make sure that higher education is affordable and accessible. The Republican Legislature's unwillingness to move an inch on addressing our student loan debt crisis is inexplicable. Student loan debt has significant effects on young and middle-aged adults and, as a result, on our state economy. These effects worsen each day, which is why we need to find a way to allow borrowers to refinance student loans, just like we can do with our mortgages or many other debts. I put forward a thoughtful first step for us to work together to address this issue and will continue to seek the assistance of those interested in doing so.

Although we are implementing significant middle class tax relief in this budget, I will continue my efforts to index our homestead tax credit to where it should be and provide relief to hard-working families with children through the Earned Income Tax Credit (EITC) to address the reductions in these credits that occurred under the prior administration. The EITC has historically earned bipartisan support at the state and federal level and remains an effective anti-poverty measure that puts more money back into the pockets of working families. Those dollars are then reinvested in our local economies, making it a win-win.

Finally, I am going to bring the fight for a nonpartisan redistricting process to the Legislature. The reason I am signing a budget that does not go far enough to fund our schools, that fails to accept federal funds to expand Medicaid, and leaves behind important priorities is because we have a comfortable Republican majority who consolidated power for themselves long before I took office, leaving minimal

accountability for failing to listen to the people of Wisconsin. They got to pick their voters and draw their districts, and as a result, are able to ignore the 70 percent of Wisconsinites who support Medicaid expansion, the 74 percent of Wisconsinites who want to see a significant increase in special education funding, and the 83 percent of Wisconsinites who believe medical marijuana should be legal.

While many see the conclusion of our work on the budget as an ending, this budget is just the first step on the road ahead. There is much work to do and many Wisconsinites who are counting on us to work together to get things done.

As I was preparing this message, my office received a packet of letters from a class of fourth graders. While all the letters were thoughtful and creative, there was one that stood out. It said, “Please look outside and examine how cracked the roads are…I really believe that the roads need to be fixed because horrific accidents could happen…So please, fix our roads.”

“Maybe, just maybe, you could pay the schools more?” the student asked, because “the janitors, the teachers, the nurses and every other worker at a school work hard. They deserve a bit more money.” And “a bit more money for healthcare” she said, because “so many children fall ill with the flu and some families cannot afford the medication.”

Our kids understand what is important. And overall, this budget delivers on many of the important promises I made to the people of Wisconsin and makes progress toward fixing our roads, supporting schools, increasing funding for healthcare, and cutting taxes for working families. It is a budget that I hope will help countless families, businesses, and communities across Wisconsin. I remain optimistic about the future of our state. And I remain committed to working together to ensure that we do not let opportunities, like Medicaid expansion, pass us by. There is too much at stake to put politics first. We have much more work to do to ensure our state and our kids’ success in the future.

Respectfully submitted,

Tony Evers

Governor

Date: July 3, 2019

VETO MESSAGE

TABLE OF CONTENTS

A. JUSTICE, ENVIRONMENT AND AGRICULTURE 1
1. Establishment of a Correctional Facility 1
2. Type 1 Facility 1
3. Construction Projects 1
4. Center Bonding 2
5. Corrections Bonding 2
6. Assistant District Attorney Position Distribution..... 2
7. One Step Pay Progression 3
8. Diversion Pilot Program..... 3
9. Beat Patrol Program 4
10. Treatment Alternatives and Diversion 4
11. Chronic Wasting Disease Research 4
12. Repair of State Trails..... 5
13. Well Compensation Grant..... 5
14. Producer Led Watershed Grants 6
B. EDUCATION AND WORKFORCE DEVELOPMENT..... 7
15. Per Pupil Aid 7
16. Supplemental Per Pupil Aid 7
17. Medical College of Wisconsin Cancer Research Facility..... 8
18. University of Wisconsin – Green Bay Cofrin Library Renovation..... 8
19. Health Professional Scholarship Program..... 8

20. University of Wisconsin – Stevens Point Paper Science Program 9
21. Safety and Building Operations Transfer 9
22. Grants for Training in County Jails from Wisconsin Fast Forward..... 9
23. Northcentral Technical College Earmark 10
24. Grants for Personal Care Worker Training from Wisconsin Fast Forward..... 10
25. Grants for Shipbuilders from Wisconsin Fast Forward 10
26. Youth Summer Jobs Programs..... 11
27. Approval of the Wisconsin History Museum and Reporting Requirement 11
28. Grants to Lakeland STAR Schools 11
29. Personal Electronic Computing Devices Grant Program..... 12
30. Grants for Robot-Assisted Educational Programs for Pupils with Autism 12
C. GENERAL GOVERNMENT, CHILDREN AND FAMILIES..... 14
31. Report on Capitol Security..... 14
32. Capital Planning and Building Construction Balance Lapse..... 14
33. Discretionary Merit Compensation Awards for the Department of Corrections..... 14
34. Volkswagen Settlement Funds 15
35. Appropriation for Board of Commissioners of Public Lands Operations 15
36. Milwaukee County Shared Revenue Reduction for Child Welfare Services 16
37. Child Care YoungStar Bonuses 16
38. Elections Commission Materials and Services Lapse 16
39. Wisconsin Employment Relations Commission Program Revenue Lapse 17

D.HEALTH SERVICES AND INSURANCE..... 18
40. FoodShare Employment and Training for Able-Bodied Adults with Dependents 18
41. FoodShare Employment and Training Drug Screening Funding 18
42. Disproportionate Share Hospital Payments 19
43. Mendota Juvenile Treatment Center..... 19
44. Medicaid Reestimate 20
45. Physician and Behavioral Health Funding 20
46. Crisis Intervention Services 21
47. Qualified Treatment Trainee Grants..... 21
48. Telehealth Expansion 21
49. Physical Health Service Provider Reimbursement 22
50. Hub-and-Spoke Mental Health and Substance Abuse Treatment Model 22
51. Racine County Nursing Home Labor Region 23
52. Suicide Prevention Grant..... 23
53. FoodShare Employment and Training Administrative Funds 23
54. FoodShare Employment and Training Cost-to-Continue 24
55. Authority to Reallocate Positions 24
56. Birth to 3 Program 25
57. Nitrate Testing for Private Wells 25
58. Wisconsin Statewide Public Safety and Interoperable Communications System 26

E. TRANSPORTATION, TAX, LOCAL GOVERNMENT AND ECONOMIC DEVELOPMENT 27

59. Expansion of Auditing Activity 27
60. Defining Vapor Products..... 27
61. Tolling and Mileage-based Fee Study..... 27
62. Registration Fees by Weight Classification 28
63. Discretionary Supplement..... 28
64. Fuel Suppliers Administrative Allowance 29
65. Quarry Local Zoning Preemption 29
66. Supplemental Transportation Aids..... 29
67. Wheel Tax Fee Increase 30
68. Lieutenant Governor Security 30
69. Required Interchange for I-41 in Brown and Outagamie Counties 30
70. Initial Applicability of Registration Fee Increases 30
71. Noise Barrier in Milwaukee County 31
72. Passenger Rail 31
73. Direct Sale of Motor Vehicles from Manufacturer..... 31
74. City of Kaukauna Bridge..... 32
75. Alternative Project Delivery..... 32
76. Payments to Offset Reduction in Video Service Provider Fees..... 32

77.Economic Development Grant for Milwaukee 7 Economic Development

Partnership 33
78. Fabrication Laboratories Grant Program 33

A.JUSTICE, ENVIRONMENT AND AGRICULTURE

1.Establishment of a Correctional Facility

Sections 9104 (1) (c) 1. c. and 9104 (7)

This provision requires the Department of Administration to expend funds for land acquisition, utility extensions and a request for proposals for a new maximum security correctional facility to replace the Green Bay Correctional Institution. Under the provision, land acquisition shall occur no later than December 1, 2020, and utility extensions shall occur no later than October 1, 2021.

I am partially vetoing this provision because I object to building a new maximum security correctional facility as we continue to explore needed criminal justice reform in Wisconsin. The current population pressures facing the Department of Corrections are being experienced primarily in minimum and medium security facilities, and while I am supportive of finding a solution to these pressures, I am not supportive of the insertion of a project for the construction of a new maximum security correctional facility late in the budget process and without the opportunity for more robust public input. By partially vetoing this provision, I am providing the Department of Corrections the flexibility to utilize these funds for higher priority institutional needs.

2.Type 1 Facility

Section 9104 (6) (d)

This section reduces the amount authorized for the Type 1 juvenile correctional facilities from $25,000,000 to $0.

I am vetoing this section because I object to the Legislature defunding the replacement of Lincoln Hills School and Copper Lake School. In order for the

Department of Corrections to close these facilities as soon as possible, funding must be provided to build replacement facilities. This section, if adopted, would leave the department without a facility in which to place juveniles. This veto will allow the Department of Corrections and Department of Administration to continue with the design and construction of a new Type 1 facility.

3.Construction Projects

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

This provision creates a grant program for construction projects for nonstate organizations. The Building Commission may authorize up to $25,000,000 in general fund supported borrowing. Each grant may not exceed $5,000,000.

I am partially vetoing this provision because I object to providing scarce state resources in this manner when there are higher priorities for this bonding. Under this partial veto, the Building Commission may award up to $25,000,000 in general fund supported borrowing for construction projects with a public purpose. As I am retaining the $3,000,000 allocation for the Incourage Community Foundation economic and community hub, I am directing that $22,000,000 of this funding support the construction of a new Type 1 facility for the Department of Corrections to replace Lincoln Hills School and plan to bring such a motion before the Building Commission to move this project forward. This will ensure that, as soon as possible, the state is able to provide housing for youth closer to their homes and in the least restrictive appropriate setting.

4.Center Bonding

Sections 26o, 125 [as it relates to Northern Wisconsin Regional Crisis Center],

126 [as it relates to s. 20.867 (3) (cx)], 307o, 309u, 9104 (1) (b) 1. b., and 9104 (10)

This provision creates a grant program to a nonstate organization for the establishment of a northern Wisconsin regional crisis center. The Building Commission may authorize up to $15,000,000 in general fund supported borrowing for this purpose. Prior to issuing a grant, the Building Commission must first determine that the project is in the public interest and serves one or more public purposes that are statewide responsibilities of statewide dimension.

I am partially vetoing this provision because I object to this project not following the normal enumeration process that has been established by the Building Commission. Under this partial veto, the Building Commission may award up to $15,000,000 in general fund supported borrowing for a center. I am directing that this funding be used to support the expansion of the Mendota Juvenile Treatment Center by the Department of Health Services and plan to bring such a motion before the Building Commission to move this project forward. This will ensure that the state is able to provide appropriate mental health treatment for youth.

5.Corrections Bonding

Sections 125 [as it relates to Correctional facilities], 306g and 306h

This provision reduces the bonding authority for correctional facilities from $951,679,900 to $950,412,900.

I am vetoing this provision because I object to reducing bonding authority for correctional facilities at a time when the Department of Corrections is facing multiple infrastructure needs after years of neglect. The Legislature previously authorized $951,679,900 in bonding authority for this purpose, and I believe that the bonding authority should be utilized for the department.

6.Assistant District Attorney Position Distribution Section 9210 (1f)

This section provides funding and position authority to increase the authorized FTE assistant district attorney positions by 34.85 FTE GPR positions beginning on October 1, 2019. The section also allocates the positions to 32 different counties.

I am partially vetoing this section because I object to earmarking the positions to certain counties instead of assigning them to where they are most needed. I am directing the Department of Administration to work with the State Prosecutors Office to allocate the positions to counties in a manner that considers need holistically, including staffing needs based on creation or expansion of treatment alternatives and diversion programs, meeting with victims prior to charging, addressing backlogs, and utilizing available workload analyses. I have heard from public safety professionals that an allocation that considers these factors will help reduce the incarceration of nonviolent offenders and enable the district attorneys to take a thoughtful approach to cases, including utilizing diversion programs and other alternatives to incarceration, while maintaining public safety.

7.One Step Pay Progression Section 9210 (1e)

This section provides $1,246,600 GPR in fiscal year 2019-20 and $2,231,300 GPR in fiscal year 2020-21 to provide a one step pay progression increase to eligible district attorneys on both July 1, 2019, and July 1, 2020.

I am partially vetoing this section because I object to appropriating funds that could not be spent as currently drafted. While state statute allows for pay progression for deputy district attorneys and assistant district attorneys, district attorneys are not eligible to receive pay progression steps because their salary is set by statute. Instead, I am correcting the statutory language by eliminating the requirement that the pay progression be paid to the district attorneys. This will allow the one step increase to be awarded to eligible deputy district attorneys and assistant district attorneys. While I understand that state law requires pay progression to be awarded entirely based on merit, it is my hope that each eligible assistant district attorney and deputy district attorney receive a pay progression increase that is no less than the 2 percent increase each year, as I proposed originally in this budget.

8.Diversion Pilot Program Section 9127 (2)

This provision continues the diversion pilot program for nonviolent offenders to be diverted to a treatment program. It also requires the Department of Justice to submit a report by September 1, 2020, to the Joint Committee on Finance describing the services, sites, capabilities and progress of the diversion pilot program for nonviolent offenders.

I am partially vetoing this provision to remove the reporting requirement. I object to a requirement that is unnecessary and administratively burdensome.

9.Beat Patrol Program

Sections 232m, 1799m and 9427 (3p)

This provision creates a new appropriation to fund law enforcement officer supplement grants with GPR for the 2019-21 biennium. The provision would also repeal the new GPR appropriation on July 1, 2021.

I am partially vetoing this provision to remove the July 1, 2021, repeal of the GPR appropriation because I object to removing the option to fund this program with

GPR. The law enforcement officer supplement grant has historically been funded by the justice information fee. The justice information fee is frequently in deficit. Leaving the GPR appropriation in place would provide the Department of Justice with additional flexibility when making its budget request for law enforcement officer supplement grants for the

2021-23 biennium. Providing a stable funding source for this program is critical to ensuring public safety and giving our law enforcement officers the tools they need to safely protect our communities.

10.Treatment Alternatives and Diversion

Section 233

This section creates a new appropriation to the alternatives to incarceration program in counties that currently do not participate in the alternatives to incarceration program.

To address concerns raised by the Attorney General, I am partially vetoing this section to remove the requirement that only counties that currently do not participate in the alternatives to incarceration program are eligible for funding from this appropriation. I object to limiting flexibility for the Department of Justice. This change will ensure all the funds are invested in treatment alternatives and diversion. Although I am allowing the department flexibility to utilize funds in this appropriation for counties that already participate in the alternatives to incarceration program when needed, I request that the Department of Justice prioritize the funds in this appropriation for counties that currently do not participate in the alternatives to incarceration program prior to expanding existing programs from this appropriation.

11.Chronic Wasting Disease Research Section 9132 (3y)

This section provides $100,000 in conservation SEG in fiscal year 2020-21 for research into genetic resistance to chronic wasting disease in farm raised deer. The research is to be conducted at a double-fenced deer farm in the southern part of the state that has tested positive for chronic wasting disease.

I am partially vetoing this section because I object to limiting the flexibility of the department to perform research on chronic wasting disease to only certain areas of

the state. Instead, I am directing the Department of Natural Resources to study all available options and use the funds for scientific research on chronic wasting disease that is likely to lead to the most success in improving deer management practices in Wisconsin.

12.Repair of State Trails

Section 9132 (3x)

This section directs the Department of Natural Resources to conduct necessary repairs to the portion of the 400 Trail between the village of La Valle in Sauk County and the village of Union Center in Juneau County and the portion of the Elroy-Sparta Trail between the city of Elroy in Juneau County and the village of Norwalk in Monroe County.

I am vetoing this section because I object to directing the department to repair specific trails. The flooding of 2018 caused damage throughout the state trails system, not just on these two trails. This veto would allow the department to prioritize repairs based on the best interests of the state and all trail users.

13.Well Compensation Grant

Section 126 [as it relates to s. 20.865 (4) (u)]

This provision provides $400,000 SEG in each fiscal year in the appropriation under

s. 20.865 (4) (u). The Department of Natural Resources could request the release of the funds under s. 13.10. The funds could be utilized for the well compensation grant program, although no provision in the bill would direct the funds to be expended on that program.

I am partially vetoing section 126 [as it relates to s. 20.865 (4) (u)] by lining out the amount under s. 20.865 (4) (u) and writing in a smaller amount that reduces the appropriation by $400,000 SEG in each fiscal year because I object to appropriating funds that cannot be expended. The Department of Natural Resources is currently unable to expend its base level of funding for the well compensation program given the restrictive nature of current eligibility standards. Given that I have declared 2019 as the Year of Clean Drinking Water, I included programmatic changes in my budget recommendations that would have greatly expanded the eligibility of the

well compensation program to additional Wisconsin residents and would have allowed the department to utilize these funds to address contaminated drinking water across the state. Without the needed programmatic changes to the well compensation program, I object to appropriating additional funds that the department would not be able to expend. I am requesting the Department of Administration secretary not to allot these funds.

14.Producer Led Watershed Grants Section 130m

This section reduces the amount of money the Department of Agriculture, Trade and Consumer Protection can distribute to groups for producer led watershed protection grants from $750,000 annually to $500,000 annually.

I am partially vetoing this section because I object to reducing funding for producer led watershed protection grants. The producer led watershed protection grant program provides funding to projects that focus on ways to prevent and reduce runoff from farm fields. In fiscal year 2018-19, the department received $869,800 in requests from producer led watershed protection groups and awarded $750,000 in grants to 24 groups. Especially given that I have declared 2019 to be the Year of Clean Drinking Water, I do not support reducing the funding to $500,000 annually, which would negatively impact water quality in the state.

B.EDUCATION AND WORKFORCE DEVELOPMENT

15.Per Pupil Aid

Section 1459

This provision sets the per pupil aid payment at $679 in fiscal year 2019-20 and $704 in fiscal year 2020-21. This is an annual increase of $25 per pupil in each year of the biennium.

I am partially vetoing this provision to increase the per pupil aid payment in each year after the 2018-19 school year to $679 and $63 for a total of $742. I object to the continued drastic underfunding of Wisconsin’s public school children and believe that while the increases in this budget are important, they do not go far enough. Republicans failed to meet the recommendation of their own Blue Ribbon Commission to get to two-thirds funding for our schools. Based on the feedback I

heard from the people of Wisconsin, my budget proposed a large but appropriate investment, particularly in special education, because we cannot continue asking folks to tax themselves at the local level to pay for priorities the state should fund. As a result of this veto, school districts will receive immediate additional unrestricted resources to help every student in the state. Even with this change, there is still much more we need to do to ensure that our kids and schools have the resources they need.

16.Supplemental Per Pupil Aid Section 1464f

This provision creates a grant program that provides $2,800,000 in fiscal year 2019-20 and $2,500,000 in fiscal year 2020-21 for supplemental per pupil aid. Districts would be eligible for this aid if the district's net per pupil payment from the general school aids appropriation is less than the difference between $1,000 and the per pupil categorical aid payment amount for that year ($679 per pupil in the 2019-20 school year and $704 per pupil in the 2020-21 school year). The payment for an eligible district would be equal to $1,000 less the per pupil categorical aid payment amount for that year less the district's net per pupil payment from the general school aids appropriation, multiplied by the enrollment used to calculate the district's per pupil aid in that year.

I am partially vetoing this provision to expand eligibility for supplemental per pupil aid. I object to creating an appropriation that will have a disequalizing impact on our school finance system by benefitting only a small number of districts. Expanding the eligibility allows all districts to be eligible for aid. I believe that state support should be available to as many districts as possible. Given that the Legislature failed to provide sufficient funding for all school districts, these additional dollars should be allocated to help every student in the state. I am requesting the Department of Public Instruction to distribute this funding to all school districts.

17.Medical College of Wisconsin Cancer Research Facility Sections 27f and 9104 (1) (L) 1. a., 2. a. and 3.

These provisions require the Medical College of Wisconsin to secure funding for the construction of a cancer research facility in Milwaukee County in the amount of $85,000,000 from nonstate revenues before the Building Commission may approve any state funding commitment, with the total project cost amounting to $95,000,000.

By using the digit veto, I am partially vetoing these provisions to require the Medical College of Wisconsin to secure $8,500,000, rather than $85,000,000, from nonstate revenues prior to receiving state funding. I am also vetoing the total project cost of $95,000,000. I object to setting an unrealistic and unreasonable requirement for the Medical College of Wisconsin to receive state funding. I believe the lower amount represents a more reasonable requirement in the context of total project costs and timing. Setting a reasonable match requirement will ensure that this important project is able to move forward with state support.

18.University of Wisconsin – Green Bay Cofrin Library Renovation

Section 9104 (11) (a) 1.

This provision provides $500,000 of advanced planning funds for renovation of the Cofrin Library at the University of Wisconsin – Green Bay.

I am vetoing this provision to remove the advanced planning funds for renovation of the Cofrin Library at the University of Wisconsin – Green Bay because I object to spending funds when a preliminary use study is just getting under way. As such, project design is premature at this time.

19.Health Professional Scholarship Program

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

These provisions create a new annual appropriation and provide $800,000 GPR in fiscal year 2020-21 for the Higher Educational Aids Board to provide annual scholarships to no more than five first-year students, including a stipend, equal to $40,000 for each year of a Marquette University School of Dentistry student's enrollment (but not exceeding four years). Recipients must agree to practice in a dental health shortage area, excluding Brown, Dane, Kenosha, Milwaukee and Waukesha counties. In addition, these provisions create a new biennial appropriation and provide $350,000 GPR in the 2019-21 biennium for the board to make grants to the Marquette University School of Dentistry to defray the school's administrative costs related to the rural dentistry scholarship program.

I am vetoing section 135r in its entirety and partially vetoing sections 126, 135g

and 392m. I am vetoing the requirement that the students commit to practice dentistry in a dental health shortage area because I object to limiting the funding to one health care practice area and I believe it is important to provide additional resources to support health care professionals practicing in all health care shortage areas across the state. I am vetoing the exclusion of counties for the same reason, as I believe health care professionals should be encouraged to practice where there is need and regardless of location. I am vetoing the limitation on the number of scholarships that can be provided annually and the dollar amount associated with each scholarship because I object to restricting the number of students that could receive awards if more than five first-year students commit to practicing in health shortage areas and there are sufficient resources to fund additional students. Finally, I am vetoing the appropriation for Marquette University School of Dentistry administrative costs related to the program because, as expanded, I object to earmarking funding to the dentistry school when it is unnecessary.

20.University of Wisconsin – Stevens Point Paper Science Program

Section 361

This section requires the Board of Regents to create a 1.0 FTE position in the paper science program at the University of Wisconsin – Stevens Point.

I am partially vetoing this section because I object to the language which indicates that a position must be created as the position already exists. Instead, I am partially vetoing the section to make clear that a position must be maintained in the paper science program.

21.Safety and Building Operations Transfer

Section 9238 (2t)

This section requires the Department of Safety and Professional Services to transfer

$5,000,000 from the appropriation account under s. 20.165 (2) (j) to the general fund in fiscal year 2019-20. This appropriation funds the department's inspections and plan reviews for commercial buildings as well as other safety-related activities.

I am vetoing this section in its entirety as I object to this transfer of funds. Regulation of safety and building operations supports economic growth and stability

while protecting the citizens of Wisconsin. These funds should be retained by the department to enhance service levels.

22.Grants for Training in County Jails from Wisconsin Fast Forward

Sections 1325h and 1325p

These sections require the Department of Workforce Development to allocate to the Department of Corrections $200,000 in fiscal year 2019-20 and $320,000 in fiscal

year 2020-21 for the creation and operation of mobile classrooms, and $225,000 in fiscal year 2019-20 and $262,500 in fiscal year 2020-21 for the creation and operation of institutional job centers at six eligible institutions in fiscal year 2019-20 and seven eligible institutions in fiscal year 2020-21.

I am partially vetoing these sections to eliminate the requirement that the department allocate grants in a specified amount in each fiscal year to a specific number of institutions as I object to such specific figures being determined by the Legislature without consultation with the Department of Workforce Development and Department of Corrections. This partial veto will provide greater flexibility to the Department of Workforce Development while maintaining support for job training at correctional facilities from the Wisconsin Fast Forward program. I am directing the Department of Workforce Development and the Department of Corrections to work collaboratively to provide job training opportunities at correctional institutions.

23.Northcentral Technical College Earmark Section 9150 (7i)

This section would require the Department of Workforce Development to award grants in the amounts of $75,000 in fiscal years 2019-20 and 2020-21 to the Northcentral Technical College board for workforce training in county jail facilities.

I am partially vetoing this section because I object to earmarks for specific technical college districts and believe this earmark is overly restrictive and burdensome. This partial veto will give the department greater flexibility in allocating dollars for workforce training in county jail facilities across the entire state.

24.Grants for Personal Care Worker Training from Wisconsin Fast Forward Section 9150 (5i)

This section would require the Department of Workforce Development to allocate Wisconsin Fast Forward funding for grants to attract and retain personal care workers.

I am vetoing this section in its entirety because I object to constraining the department in responding to worker training needs and demands, and I want to provide greater flexibility to the department. The department is able to award grants for personal care workers in the Wisconsin Fast Forward program without this requirement.

25.Grants for Shipbuilders from Wisconsin Fast Forward

Section 1326 [as it relates to the deadline for expenditures]

This section would require the Department of Workforce Development to allocate Wisconsin Fast Forward funding of $1,000,000 in each year of the biennium to shipbuilders and require that shipbuilders receiving grants from Wisconsin Fast Forward expend all grant moneys before July 1, 2021.

I am partially vetoing this section to remove the requirement that grant funds be expended by the close of the 2019-21 biennium because I object to unnecessarily constraining the department's flexibility to use appropriated funds to bolster the state's workforce and economy.

26.Youth Summer Jobs Programs Sections 230m and 1325b

These sections eliminate the statutory reference for the department to implement and operate youth summer job programs only in first class cities.

I am vetoing these sections in their entirety because I object to diverting funding away from successful existing youth summer jobs programs in Milwaukee that rely on the current funding levels provided. As a result of this veto, the program will continue to be available only in first class cities.

27.Approval of the Wisconsin History Museum and Reporting Requirement Sections 9104 (8) and 9121 (1t)

Section 9104 (8) specifies that bonds cannot be issued for the construction of the Wisconsin History Museum, as enumerated, without prior approval from the Joint

Committee on Finance. The Wisconsin Historical Society must also demonstrate fundraising for the facility in the amount of $30 million. Section 9121 (1t) requires the Wisconsin Historical Society and Department of Veteran Affairs to jointly submit, no later than June 30, 2021, a report to the Joint Committee on Finance concerning improvements to museum facilities in the city of Madison.

I am partially vetoing section 9104 (8) related to the restriction of bond issuance for the Wisconsin History Museum because I object to the creation of burdensome additional administrative hurdles. The Building Commission will provide appropriate project oversight and approval by the Joint Committee on Finance is duplicative and unnecessary. In addition, I am vetoing section 9121 (1t) in its entirety because I object to such a report being submitted to the Joint Committee on Finance as it is not the appropriate state entity to review proposals related to building projects. I am directing both the Wisconsin Historical Society and Department of Veteran Affairs to jointly submit a report to the Governor and Secretary of Administration, by July 1, 2020, that outlines the long-term vision and plans for current and future museum facilities in the city of Madison.

Finally, I object to the undemocratic increasing concentration of power in the Joint Committee on Finance. It is inconsistent with our constitution's requirements for a legislative quorum, bicameral passage, and presentment to the Governor contained in Article 4, § 7 and Article 5,

§ 10 of the Wisconsin Constitution.

28.Grants to Lakeland STAR Schools

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

These sections provide $250,000 in fiscal year 2019-20 in a newly-created biennial appropriation for grants to the Lakeland STAR School and the Lakeland STAR Academy. Specifically, they require the Department of Public Instruction to provide a grant of $83,000 during the biennium to the Minocqua J1 School District for the Lakeland STAR School and a grant of $167,000 during the biennium to the Lakeland UHS School District for the Lakeland STAR Academy. No payments could be made from this appropriation after June 30, 2021. The schools must demonstrate matching funds from private donors prior to receiving the funds and the school districts must provide a report to the Legislature and the State Superintendent.

I am vetoing these sections in their entirety to eliminate the grant program for Lakeland STAR Schools. I object to providing state grants to specific schools when the Legislature has continued to drastically underfund Wisconsin's public school system as a whole. I believe that every kid in Wisconsin should be able to get a great education in a public school regardless of what district they live in, and that state funding decisions should not pick winners and losers among our children. Further, I believe that the federal grant the schools were recently awarded should effectively support students attending Lakeland STAR Schools.

29.Personal Electronic Computing Devices Grant Program Section 126 [as it relates to s. 20.255 (2) (aw)]

This provision provides $9,187,500 GPR in each year for a grant program for schools to purchase mobile devices and supporting software and curriculum.

I am partially vetoing section 126 [as it relates to s. 20.255 (2) (aw)] by lining out the amounts under s. 20.255 (2) (aw) and writing in smaller amounts that reduce the appropriation by $9,187,500 GPR in each fiscal year. I object to providing funds to districts on a per student basis using a membership calculation that does not match students enrolled in ninth grade. In addition, I believe that districts may choose to invest in technology through flexibility provided by the revenue limit increase and through the existing TEACH program. Further, these funds could more effectively be spent on programs that close achievement gaps. By lining out the amounts under s. 20.255 (2) (aw) and writing in smaller amounts, 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.

30.Grants for Robot-Assisted Educational Programs for Pupils with Autism

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

These sections create a grant program for robot-assisted educational program for pupils with autism. A cooperative educational service agency (CESA) could apply to the Department of Public Instruction for a grant to implement a program that uses all the following to teach social and behavioral skills to pupils with autism: (a) interactive, facially expressive, humanoid robots; (b) a curriculum with embedded evidence-based practices; (c) visual supports;

(d)video modeling; (e) an automated data collection system; (f) a comprehensive

curriculum facilitator; and (g) a pupil activity manual with extension activities. A CESA must include with its application to the department a proposal of how it plans to spend the grant moneys and an estimate of the number of students served. In addition, these sections require a CESA to use the funds to develop, implement and provide the program and to ensure that a licensed special education teacher is present at the location where the program is provided.

Iam vetoing these sections in their entirety because I object to creating a grant that is insufficient to support the cost of acquired technology in a limited number of CESAs. In addition, because the Legislature failed to provide a sufficient increase for special education, this program will have limited effectiveness as the sections require that a licensed special education teacher is present at the location where the program is provided, and Wisconsin's current level of special education funding is insufficient to meet districts' and students' needs. Further, I am concerned there may only be one vendor that meets these grant requirements and I oppose earmarking funds.

C.GENERAL GOVERNMENT, CHILDREN AND FAMILIES

31.Report on Capitol Security

Section 9101 (1f)

This provision requires the Department of Administration to study the security and safety of the State Capitol and Capitol grounds in consultation with the city of Madison Police Department. A report would then be submitted to the Governor and the Legislature by January 1, 2020, which would include recommendations for ensuring safety and security.

While I strongly support ensuring the safety of visitors and employees who come to the State Capitol, I object to releasing information about potential security vulnerabilities in a public report as it would negate the very efforts of this study. In addition, it is already the duty of the Division of Capitol Police to ensure the safety and security of all state employees, legislators and visitors to the State Capitol. I am, therefore, vetoing this provision, but am directing the Division of Capitol Police to review and update, if necessary, its existing plans for the security and safety of the State Capitol, including input from the Madison Police Department.

32.Capital Planning and Building Construction Balance Lapse

Section 9201 (1j)

This provision requires the Department of Administration to lapse $5,000,000 from the capital planning and building construction services appropriation to the general fund in fiscal year 2020-21.

I am vetoing this provision because I object to this lapse which, when coupled with the additional $10,000,000 transfer of funds from the capital planning and building construction services appropriation to the building trust fund in fiscal year 2019-20 under section 9201 (1i), will leave an insufficient balance in the appropriation, which is used to manage and oversee the state building program. Collection of fees does not always coincide with the biennium in which the project is approved, particularly for larger, more complex building projects, which can create a cashflow problem.

33.Discretionary Merit Compensation Awards for the Department of Corrections Sections 315p, 1854d and 1854f

This provision prohibits the administrator of the Division of Personnel Management within the Department of Administration from approving a request from the Department of Corrections for money from the appropriation under s. 20.865 (1) (dm) for discretionary merit compensation awards authorized under s. 20.928 (1f).

I am vetoing this provision because it encroaches on the authority of the Department of Administration to administer state employee compensation policy pursuant to the provisions of the compensation plan, as approved by the Joint Committee on Employment Relations.

Furthermore, I object to this provision because it would prevent the Department of Corrections from receiving a general purpose revenue supplement for discretionary merit compensation awards provided to administrative and central office staff, which would be afforded to every other state agency. Considering the corrections workforce shortages that have increased over the past eight years, we need to have every tool available for recruiting and training employees for this important work.

34.Volkswagen Settlement Funds Sections 55c and 9101 (2i)

These sections require the Department of Administration to establish a program to

award $3,000,000 in grants of Volkswagen settlement funds for the replacement of school buses owned and operated by school boards during the 2019-21 fiscal biennium. This is part of the total $25,000,000 of remaining settlement funds appropriated under s. 20.855 (4) (h), with the rest to be used for additional a public transit vehicle replacement.

Related to the new grant program, I object to the narrow use of Volkswagen settlement funds only for school buses under this provision, given the limited number of school districts to which these provisions would apply. In addition, the state has a responsibility to be a leader in adopting and encouraging the use of alternative fuels as part of an overall strategy to address climate change. Therefore, I am partially vetoing section 55c to remove language directing the Department of Administration to establish a grant program that would award settlement funds to school boards for the replacement of school buses and require school boards to provide matching funds equal to the amount of the grant award, and vetoing section 9101 (2i) to remove the allocation of $3 million for this purpose. As a result of the veto, the Department of Administration shall establish a more flexible grant program under s. 16.047 (4s) that will award Volkswagen settlement funds to advance the use of alternative fuels in accordance with the settlement guidelines. I am directing the Department of Administration to allocate up to $10,000,000 of the settlement funds to this revised grant program for electric vehicle charging stations, and at least $15,000,000 for the transit capital assistance grant program under s. 16.047 (4m).

35.Appropriation for Board of Commissioners of Public Lands Operations

Sections 282j, 335g, 335h, 335i, 335j, 335k, 335L, 335m, 335n, 335p, 335q, 335r, 335s and 335t

These sections remove the deposit of revenues from earnings associated with the Board of Commissioners of Public Lands' management of the common school fund, normal school fund, university fund and agricultural college fund (trust funds) and other revenues associated with management of lands under the board's jurisdiction to the board's trust lands and investments – general program operations appropriation. The provisions also remove the board's ability to deduct or make payments of expenses from these revenues.

I am partially vetoing section 282j and vetoing sections 335g, 335h, 335i, 335j, 335k, 335L, 335m, 335n, 335p, 335q, 335r, 335s and 335t because I object to

limiting the board's ability to utilize interest and other earnings for the management of the trust funds and lands. With this veto, I am restoring these provisions to ensure that the board may request additional expenditure authority if needed to effectively manage the trust funds and lands to maximize earnings that are distributed to support library services.

36.Milwaukee County Shared Revenue Reduction for Child Welfare Services Section 522m

This section modifies Milwaukee County's financial contribution for child welfare services provided by the Department of Children and Families' Division of Milwaukee Child Protective Services. The modification increases Milwaukee County's total contribution from $58,893,500 per fiscal year to the greater of that amount or the amount in the chapter 20 schedule for the child welfare services aids appropriation for Milwaukee County. As a result, Milwaukee County's shared revenue payment would be reduced by an additional $6,824,500 GPR in fiscal year 2020-21.

I am vetoing this section because I object to this reduction to Milwaukee County's shared revenue payment, which does nothing to improve the lives of children and their families. The immediate and only result of this reduction in shared revenue will be cuts to vital government services provided by Milwaukee County, and this leaves the county little time to prepare for these cuts. Furthermore, the budget bill as written will not accomplish the legislative intent because the additional shared revenue funds from Milwaukee County would be deposited in a sum certain program revenue child welfare appropriation, which was not increased. As a result, the related GPR child welfare appropriation will be fully spent, and no lapse to the general fund will occur from that appropriation or the shared revenue appropriation.

37.Child Care YoungStar Bonuses

Section 9106 (5f)

This section directs the Department of Children and Families to increase YoungStar bonuses under the Wisconsin Shares child care program to 15 percent for four-star child care providers and to 30 percent for five-star child care providers for the duration of the

2019-21 biennium, after which the department would have the authority to set the amount of the YoungStar bonuses in the future.

I object to this section as it unnecessarily infringes upon the department's management of this program. Therefore, I am vetoing this section to remove this requirement. The department has sufficient authority and funding under current law such that it has already announced that it increased YoungStar bonuses to these levels on July 1, 2019.

38.Elections Commission Materials and Services Lapse Section 9212 (1c)

This section requires the Elections Commission to lapse $9,700 from the program revenue appropriation under s. 20.510 (1) (h) to the general fund in fiscal year 2019-20.

I am vetoing this section because I object to reducing the balance in the Elections Commission's materials and services appropriation. This appropriation is meant to fund certain administrative processes, such as publications and mailings, and the commission can still make use of these funds in the manner for which they were intended.

39.Wisconsin Employment Relations Commission Program Revenue Lapse

Section 9214 (1c)

This section requires the Wisconsin Employment Relations Commission to lapse to the general fund any unencumbered balance exceeding 10 percent of annual expenditures from the program revenue appropriation under s. 20.425 (1) (i) at the end of each fiscal year during the 2019-21 biennium.

I am vetoing this section because it is administratively burdensome, and I object to reducing the commission's flexibility to spend program revenue on labor relations functions.

D.HEALTH SERVICES AND INSURANCE

40.FoodShare Employment and Training for Able-Bodied Adults with Dependents

Section 126 [as it relates to s. 20.865 (4) (a)]

This provision retains the requirement that able-bodied adults with school age dependents must meet a work requirement to receive FoodShare benefits. One way to meet that requirement is through participation in the FoodShare Employment and Training program. This provision provides funding in the Joint Committee on Finance GPR supplemental appropriation to fund the increased utilization of the FoodShare Employment and Training program.

I am partially vetoing section 126 [as it relates to s. 20.865 (4) (a)] by lining out the amounts under s. 20.865 (4) (a) and writing in smaller amounts that reduce the appropriation by $4,893,300 GPR in fiscal year 2019-20 and by $15,659,800 GPR in fiscal year 2020-21. I object to subjecting able-bodied adults with school age dependents to a work requirement, which does not appropriately balance the needs for parental involvement in children's lives, the demands of the workforce and the costs of expenses like child care. The additional barriers that some parents face in meeting work requirements should be taken into account, and children's health, safety and well-being should be our priority. Furthermore, if the Legislature believes this is a priority, it should budget the funding in the Department of Health Services in separate legislation. I am directing the Department of Health Services to maintain the FoodShare Employment and Training program for able-bodied adults without dependents with the funding appropriated under ss. 20.435 (4) (bp) and 20.435 (4) (np). I am further directing the Department of Health Services to exempt able-bodied adults with school age dependents from sanctions under the work requirement in s. 49.79 (9) (a) 1g., as allowed under 7 CFR 273.7 (d) (4) (v). This partial veto is part of a larger write-down of the Joint Committee on Finance GPR supplemental appropriation. I am requesting the Department of Administration secretary not to allot these funds.

41.FoodShare Employment and Training Drug Screening Funding

Section 126 [as it relates to ss. 20.435 (4) (b), 20.435 (4) (bn), 20.435 (4) (nn) and 20.435 (4) (o)]

This provision retains the drug screening requirement for able-bodied adults without dependents, who intend to meet a work requirement through the FoodShare Employment and Training program.

I object to subjecting individuals receiving food assistance in the FoodShare

program to drug screening as the costs of this type of program outweigh the benefits, and there is no reason to treat recipients of this type of state aid differently than Wisconsinites who use any other type of state program or assistance. I am, therefore, partially vetoing section 126 [as it relates to

ss.20.435 (4) (b), 20.435 (4) (bn), 20.435 (4) (nn) and 20.435 (4) (o)] by lining out the amounts under s. 20.435 (4) (b) and writing in smaller amounts that reduce the appropriation by $23,700 GPR in fiscal year 2019-20 and $31,400 GPR in fiscal year 2020-21; lining out the amounts under s. 20.435 (4) (bn) and writing in smaller amounts that reduce the appropriation by $4,100 GPR in fiscal year 2019-20 and $5,500 GPR in fiscal year 2020-21; by lining out the amounts under s. 20.435 (4) (nn) and writing in smaller amounts that reduce the appropriation by $4,100 PR-F in fiscal year 2019-20 and $5,400 PR-F in fiscal year 2020-21; and by lining out the amounts under s. 20.435 (4) (o) and writing in smaller amounts that reduce the appropriation by $34,500 PR-F in fiscal year 2019-20 and $46,200 PR-F in fiscal year 2020-21. This partial veto is part of a larger write-down of the Income Maintenance appropriations and the Medical Assistance appropriations. I am requesting the Department of Administration secretary not to allot these funds.

42.Disproportionate Share Hospital Payments Section 9119 (10p)

This section requires the Department of Health Services to pay hospitals that serve a disproportionate share of low-income patients an additional $30,000,000 GPR and associated federal match in each year of the 2019-21 biennium only for Disproportionate Share Hospital supplemental payments, and increases the maximum allotment any one hospital may receive under this program to $9,600,000 in the 2019-21 biennium only.

While I am supportive of funding hospitals for uncompensated care, I object to using the Disproportionate Share Hospital supplemental payment mechanism as a primary way to do so without the infusion of federal tax dollars and resulting state savings from Medicaid expansion that would have allowed us to make these investments. Expanding Medicaid to individuals up to 138 percent of the poverty line not only ensures access to affordable, quality healthcare for Wisconsinites, it would have allowed a robust investment in our provider networks here in Wisconsin. However, in the absence of these critical federal dollars and resulting state savings, the Department of Health Services will need flexibility to prioritize the needs of patients.

I am, therefore, partially vetoing this section to allow an increase to the maximum per hospital payment under this program and broaden the language to allow the Department of Health Services the flexibility to determine the amount of additional funding under the Disproportionate Share Hospital supplemental payments to hospitals that serve low-income individuals. In addition, my partial veto will give the Department of Health Services additional flexibility in determining other potential supplemental payments to hospitals that serve low-income individuals as limited resources may allow. Further, I am directing the Department of Health Services to develop a methodology which ensures that after the new, higher cap is applied, eligible hospitals will receive no less under the Disproportionate Share Hospital supplemental formula than they would have under the current law cap.

43.Mendota Juvenile Treatment Center

Sections 9104 (6) (a) and 9319 (1)

This provision increases authorized general fund supported borrowing for the project identified as “Expansion of the Mendota Juvenile Treatment Center — Madison” from $15,000,000 to $43,994,000.

I am partially vetoing this provision because I object to the Legislature not providing sufficient borrowing authority for the building of an appropriately-sized facility. The Department of Health Services has indicated the need for $59 million to complete the project, and the Legislature’s proposal provides only $44 million. Insufficient borrowing authority would result in a reduction in the number of beds the department is able to construct for juvenile treatment and impede the department’s ability to provide the Mendota Juvenile Treatment Center’s mental health treatment services by not providing adequate space to accommodate juveniles who are at different stages in their treatment progression. This veto results in total of $58,994,000 of general fund supported borrowing being available for this project.

44.Medicaid Reestimate

Section 126 [as it relates to s. 20.435 (4) (b)]

Broadly, this provision increases funding under the Medical Assistance program.

I am partially vetoing section 126 [as it relates to s. 20.435 (4) (b)] by lining out the amounts under s. 20.435 (4) (b) and writing in smaller amounts that reduce the

appropriation by $15,000,000 in each fiscal year.

I object to the appropriation of these funds as it is no longer necessary based upon updated expenditure projections from the Department of Health Services. This partial veto is part of a larger write-down of the department's Medical Assistance appropriation. I am requesting the Department of Administration secretary not to allot these funds.

45.Physician and Behavioral Health Funding Section 126 [as it relates to s. 20.865 (4) (a)]

This provision increases funding in the Joint Committee on Finance GPR supplemental appropriation by $5,000,000 GPR in both fiscal years for Medicaid reimbursement rate increases for physicians and behavioral health providers.

I am partially vetoing section 126 [as it relates to s. 20.865 (4) (a)] by lining out the amounts under s. 20.865 (4) (a) and writing in smaller amounts that reduce the appropriation by $5,000,000 GPR in each fiscal year.

Wisconsin is facing a behavioral health provider shortage, and I object to the removal of funding from the Department of Health Services to address this issue while the Legislature retains the funding to potentially use for other purposes. I am directing the department to proceed as soon as is practical with vital rate increases for physicians and behavioral health professionals from its base level resources.

This partial veto is part of larger write-down of the Joint Committee on Finance GPR supplemental appropriation. I am requesting the Department of Administration secretary not to allot these funds.

46.Crisis Intervention Services Section 681

This provision allows the Department of Health Services to reimburse counties for crisis intervention services provided to Medical Assistance recipients, if the county delivers crisis intervention services on a regional basis and provides a maintenance of effort payment. This provision defines crisis intervention services as services for the treatment of mental illness, intellectual disability, substance abuse and dementia. Under the provision, counties are required to maintain a maintenance of effort equal to 75 percent of the annual average of the county's expenditures for crisis intervention services in calendar years 2016, 2017 and 2018.

I am partially vetoing this provision to remove the reference to calendar years 2016, 2017 and 2018. I object to specifying the maintenance of effort calculation in statute, and I am directing the Department of Health Services to set the county maintenance of effort for crisis intervention services in a manner it determines is appropriate and equitable.

47.Qualified Treatment Trainee Grants

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

This provision requires the Department of Health Services to distribute a total of

$500,000 GPR in each fiscal year to a hospital, or affiliate of a hospital, or an entity qualified under 42 USC 1395x (aa) (4) that establishes and maintains a qualified treatment trainee program. A qualified treatment trainee program must provide clinically supervised practice for qualified graduate students seeking licensure or certification as a social worker, counselor, marriage and family therapist, or psychologist. The grant recipient must match the grant amount. The grant recipient shall use the awarded funding for clinical supervision, training, and salaries and benefits for trainees and clinical supervisors.

I am partially vetoing this provision to remove the overly prescriptive requirements for these funds. I am broadly supportive of measures to increase qualified health care providers in the state. However, I object to the specificity outlined in the provision. I am directing the Department of Health Services to develop grant criteria, seek applicants and award the grants.

48.Telehealth Expansion

Section 126 [as it relates to s. 20.865 (4) (a)]

This provision increases funding in the Joint Committee on Finance GPR supplemental appropriation by $1,088,200 GPR in fiscal year 2019-20 and $1,692,900 GPR in fiscal year 2020-21 to fund anticipated increases in the use of Medicaid services rendered through telehealth technology.

I am partially vetoing section 126 [as it relates to s. 20.865 (4) (a)] by lining out the amounts under s. 20.865 (4) (a) and writing in smaller amounts that reduce the appropriation by $1,088,200 GPR in fiscal year 2019-20 and by $1,692,900 GPR in fiscal year 2020-21. I object to the Legislature placing this funding in the Joint

Committee on Finance's supplemental appropriation and thereby delaying progress in moving forward with this important improvement in health service delivery. This partial veto is part of a larger write-down of the Joint Committee on Finance GPR supplemental appropriation. I am requesting the Department of Administration secretary not to allot these funds, and I am directing the Department of Health Services to move forward with investments in telehealth from existing resources.

49.Physical Health Service Provider Reimbursement Section 126 [as it relates to s. 20.865 (4) (a)]

This provision increases funding in the Joint Committee on Finance GPR supplemental appropriation by $500,000 GPR in both fiscal years for Medicaid reimbursement rate increases for physical health providers.

I am partially vetoing section 126 [as it relates to s. 20.865 (4) (a)] by lining out the amounts under s. 20.865 (4) (a) and writing in smaller amounts that reduce the appropriation by $500,000 GPR in each fiscal year. I object to the appropriation of these funds without the infusion of federal tax dollars and resulting state savings from Medicaid expansion that would have allowed us to make investments like this. Expanding Medicaid to individuals up to

138 percent of the poverty line not only ensures access to affordable, quality coverage for Wisconsinites, it would have allowed a robust investment in our providers in Wisconsin. However, in absence of these critical federal dollars and resulting state savings, the limited resources that remain must be invested in expanding patient care first before we can increase payments to health providers. This partial veto is part of a larger write-down of the Joint Committee on Finance GPR supplemental appropriation. I am requesting the Department of Administration secretary not to allot these funds.

50.Hub-and-Spoke Mental Health and Substance Abuse Treatment Model

Section 126 [as it relates to s. 20.865 (4) (a)]

This provision requires the Department of Health Services to develop a hub-and-spoke treatment model for substance abuse using the Medicaid home health benefit. However, the funding was placed in the Joint Committee on Finance GPR supplemental appropriation and the Department of Health Services must request

the funding under s. 13.10.

I am partially vetoing section 126 [as it relates to s. 20.865 (4) (a)] by lining out the amount under s. 20.865 (4) (a) and writing in a smaller amount that reduces the appropriation by $89,900 GPR in fiscal year 2020-21. I object to the Joint Committee on Finance restricting the use of these funds. I am directing the Department of Health Services to develop a hub-and-spoke treatment model for substance abuse using the Medicaid home health benefit with $89,900 GPR of existing funds. The crisis facing many Wisconsin families because of substance use disorders is too important to delay with an additional step in the process to be able to move forward with this critical program. This partial veto is part of a larger write-down of the Joint Committee on Finance GPR supplemental appropriation. I am requesting the Department of Administration secretary not to allot these funds.

51.Racine County Nursing Home Labor Region Section 664r

This provision would move Racine County from its current labor region to the Milwaukee labor region, which includes Milwaukee, Ozaukee, Washington and Waukesha counties, for purposes of calculating Medical Assistance reimbursement to nursing homes. It would require the Department of Health Services to adjust Medical Assistance payments to nursing homes so that the direct care cost targets of facilities in Milwaukee, Ozaukee, Washington and Waukesha counties are not reduced as a result of including facilities in Racine County in this labor region.

I am vetoing this provision in its entirety because I object to including a provision that would result in reductions in direct care funding to nursing homes in all other labor regions in the state. The department has worked with nursing home providers across the state to develop a labor region methodology and will continue to review labor regions and recommend changes when necessary.

52.Suicide Prevention Grant

Section 9119 (6f)

This provision requires the Department of Health Services to award a one-time grant of

$100,000 GPR in fiscal year 2019-20 to the Wisconsin United Coalition of Mutual Assistance Association, Inc., to support suicide prevention activities conducted by

the coalition.

I am partially vetoing this provision to remove the Wisconsin United Coalition of Mutual Assistance Association, Inc., as the recipient because I object to the Legislature earmarking a specific recipient. The experts at the Department of Health Services are best positioned to develop a grant program and ensure that recipients provide evidence-based care and treatment. I am directing the Department of Health Services to seek applicants for this grant and award funding to the most qualified applicant.

53.FoodShare Employment and Training Administrative Funds

Section 126 [as it relates to ss. 20.435 (4) (bn) and 20.435 (4) (nn)]

This provision increases funding available for the FoodShare Employment and Training program and Medicaid administration of eligibility requirements. Specifically, it includes income maintenance funding related to the FoodShare Employment and Training drug screening requirement, the work requirement for able-bodied adults with school age dependents, provisions of the Medicaid childless adult waiver and the Medicaid health savings account.

I am partially vetoing this provision because I object to the burdensome requirements the Legislature has imposed on the state's low-income individuals. In addition, in so imposing these requirements, the Legislature has set unrealistic timelines for implementation of these provisions and does not give the Department of Health Services sufficient time to complete the required systems changes.

I am, therefore, partially vetoing section 126 [as it relates to ss. 20.435 (4) (bn) and

20.435 (4) (nn)] in the following ways: by lining out the amount under s. 20.435 (4) (bn) and writing in a smaller amount that reduces the appropriation by $547,800 GPR in fiscal

year 2019-20; and by lining out the amount under s. 20.435 (4) (nn) and writing in a smaller amount that reduces the appropriation by $1,229,600 PR-F in fiscal year 2019-20.

This partial veto is part of a larger write-down of the Income Maintenance appropriations. I am requesting the Department of Administration secretary not to

allot these funds.

54.FoodShare Employment and Training Cost-to-Continue

Section 126 [as it relates to s. 20.435 (4) (bp)]

This provision increases funding available for FoodShare Employment and Training program services for childless adults in the Medicaid program.

I am partially vetoing section 126 [as it relates to s. 20.435 (4) (bp)] by lining out the amounts under s. 20.435 (4) (bp) and writing in smaller amounts that reduce the appropriation by $1,000,000 GPR in both fiscal years. I object to burdensome requirements imposed on Medicaid recipients in order to receive health insurance. I am requesting the Department of Administration secretary not to allot these funds.

55.Authority to Reallocate Positions Section 9119 (10)

This provision directs the Department of Health Services to utilize 5.0 FTE existing positions to create an infant mortality prevention program. The department shall report the reallocation of these positions in its 2021-23 budget request.

I object to the Legislature directing the reallocation without accounting for the need for staffing of other priority health programs, such as oral health. I am partially vetoing this provision to allow the department to reallocate positions to create the infant mortality prevention program and provide positions to the oral health program. I am directing the department to reallocate from existing positions sufficient FTE position authority to create and staff an infant mortality prevention program, sufficient FTE position authority to expand services provided by the oral health program, and sufficient FTE position authority to staff other programs within the department. I am directing the Department of Health Services to submit a plan for any reallocations under this section to the Department of Administration for review and approval prior to implementing any reallocation.

56.Birth to 3 Program Section 9219 (1p)

This section requires the Department of Health Services to transfer $2,250,000 GPR allocated to the Children’s Community Options Program to the Birth to 3 Program in fiscal year 2019-20. This section also requires a transfer of $2,250,000 GPR from the Community Options Program to the children’s Community Options Program in

fiscal year 2019-20.

I am partially vetoing this section to eliminate the $2,250,000 GPR transfer from the Community Options Program to the Children's Community Options Program because I object to it as unnecessary. I am directing the Department of Health Services and Department of Administration to utilize the authority of s. 20.435 (7) (bt) as a continuing appropriation to split the $2,250,000 GPR transfer over both years of the biennium. This will avoid violating the federal maintenance of effort requirement that requires states to maintain the same level of state support compared to the prior year. I am also directing the Department of Health Services to request an annual increase of $1,125,000 GPR in the Birth to 3 Program appropriation in its 2021-23 agency biennial budget request.

57.Nitrate Testing for Private Wells

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

This provision increases funding in the Joint Committee on Finance GPR supplemental appropriation by $3,000,000 GPR in fiscal year 2019-20. Initially the Joint Committee on Finance created language related to nitrate testing for private wells, which the Assembly later removed. The Assembly did not remove the funding.

I am partially vetoing section 126 [as it relates to ss. 20.435 (1) (ec) and 20.865 (4) (a)] by removing s. 20.435 (1) (ec) and by lining out the amount under s. 20.865 (4) (a) and writing in a smaller amount that reduces the appropriation by $3,000,000 GPR in fiscal year 2019-20. I object to the removal of programmatic language for critical testing efforts in the state while the Legislature retains the funding to potentially use for other purposes. These programs should be authorized and funded together, and the department should not have to go back to the Joint Committee on Finance to request release of the funds. In addition, the Legislature intended to remove s. 20.435 (1) (ec) from the Chapter 20 appropriation schedule, but it was erroneously included. This partial veto is part of a larger write-down of the Joint Committee on Finance GPR supplemental appropriation. I am requesting the Department of Administration secretary not to allot these funds.

58.Wisconsin Statewide Public Safety and Interoperable Communications System
Section 9144 (3)

This provision requires the Department of Transportation to issue a request for proposals for the Wisconsin Statewide Public Safety Interoperable Communications System (WISCOM) by June 30, 2020, in collaboration with the Department of Military Affairs, and it authorizes the Department of Transportation to spend up to $500,000 for related professional consulting services.

I am vetoing this provision in its entirety because I object to having the WISCOM program in the Department of Military Affairs while having the Department of Transportation issue a request for proposals related to the system. The Department of Administration has statutory authority over procurement in the state. This provision is legislative overreach into the procurement process.

E.TRANSPORTATION, TAX, LOCAL GOVERNMENT AND ECONOMIC DEVELOPMENT

59.Expansion of Auditing Activity

Section 9137 (1p)

This section advances the termination date of 38.0 FTE GPR audit and compliance project positions that were provided to the Department of Revenue under 2017 Wisconsin Act 59, to an effective date of September 30, 2023.

I am partially vetoing the effective date language in section 9137 (1p) to extend the termination date of these positions to encompass the full 2023-25 biennium because I object to the early elimination of these positions that are needed to ensure tax fairness and equality. The new effective termination date will be June 30, 2025. This will allow the Department of Revenue to continue its tax enforcement and auditing activities without interruption.

60.Defining Vapor Products

Section 1754

This section defines a “vapor product” and the bill imposes an excise tax and inventory tax of 5 cents per milliliter on vapor fluids. The bill further amends current law regulating the sale and taxation of tobacco products to include vapor products.

I am partially vetoing the definition of “vapor product” in section 1754 because I object to the ambiguous language in the definition. Specifically, the language could

be erroneously construed to exclude liquids or other substances that are used in electronic cigarettes, electronic cigars, electronic pipes or similar devices. Such an interpretation would be contrary to intent.

As a result of my partial veto of this definition, the vapor products tax will clearly apply to any device containing vapor fluid and to vapor fluid sold separately.

61.Tolling and Mileage-based Fee Study Section 1082m

This section requires the Department of Transportation to spend not more than $2,500,000 to study tolling and mileage-based fees. It further requires the department to submit a report on its findings and include its recommendations in the department's next biennial budget request.

I am vetoing this section because I object to the financing of another study that will show, yet again, that the motor fuel tax is the most effective way to approximate a user fee of roadway use and the most cost-effective way to collect revenue. The Legislature has had more than enough evidence and enough time to study the issue. It is time for the Legislature to stop stalling and act to secure a long-term transportation funding solution.

62.Registration Fees by Weight Classification

Section 1988b

This section requires the Department of Transportation to charge truck owners the same registration fee of $100 per vehicle to register all trucks that weigh not more than 10,000 pounds.

I am partially vetoing this section to continue to charge owners of trucks that weigh more than 6,000 pounds but not more than 8,000 pounds and trucks that weigh more than 8,000 pounds but not more than 10,000 pounds their current, respective, registration fees of $106 and $155 because I object to owners of lighter vehicles unfairly being charged the same fees as those for heavier trucks. Heavier trucks do more damage to roadways and therefore should be charged more than lighter trucks. This action retains the uniform $100 registration fee for vehicles that weigh not more than 6,000 pounds. As a result of this partial veto, revenue to the transportation fund is estimated to increase by $3,027,600 in fiscal year 2019-20 and $4,157,200 in fiscal year 2020-21.

63.Discretionary Supplement

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

These provisions require the Department of Transportation to expend $90,000,000 GPR on local road projects with $32,003,200 directed to county projects, $22,847,400 directed to village and city projects, and $35,149,400 directed for town projects.

I am partially vetoing section 126 [as it relates to s. 20.395 (2) (fc)] by lining out the amount under s. 20.395 (2) (fc) in fiscal year 2019-20 and writing in a smaller amount that reduces the appropriation by $15,000,000 GPR because I object to the magnitude of general fund dollars being utilized for transportation purposes in this budget. The result of this action is to reduce the amount appropriated in fiscal year 2019-20 under this appropriation from $90,000,000 to $75,000,000. I am also requesting the Department of Administration secretary not to allot these funds. While additional investment in our local transportation needs is welcome, this provision creates yet another one-time subsidy to the transportation fund and illustrates the missed opportunity to provide a sustainable funding solution that would allow this program to be an ongoing investment in local communities without using the general fund to pay for transportation projects.

I am also partially vetoing these sections to remove the limitations placed on the use of the general fund monies because I object to the restrictions that these constraints place on the department to fund grants to the most needed projects throughout the state. Law enforcement and firefighters across Wisconsin have called on the Legislature to address poor road conditions that are putting Wisconsinites' safety at risk. The effect of this partial veto will be to allow the department to prioritize the most critical transit and transportation needs.

64.Fuel Suppliers Administrative Allowance Section 9437 (5f)

This section specifies that the bill's reduction in the fuel suppliers administration allowance will take effect on the first day of the year that occurs four years after the signing of the bill. This section, consequently, creates an effective date of January 1, 2023, for rate reductions in the fuel suppliers administrative allowance. The bill reduces the fuel suppliers administrative allowance rates from 0.0125 and 0.001 to 0.00625 and 0.0005, respectively.

I am partially vetoing the effective date in section 9437 (5f) to advance the effective date to January 1, 2020, because I object to the protracted length of time provided to implement the rate changes. The new implementation date of January 1, 2020, will provide sufficient time for businesses to adapt to the change in tax allowances.

As a result of this partial veto, transportation fund tax revenue is estimated to increase by $2,800,000 in fiscal year 2019-20 and $5,700,000 in fiscal year 2020-21.

65.Quarry Local Zoning Preemption

Sections 760c, 760g, 760k, 760p, 760t, 760w, 760y, 761c, 761e, 761g, 761k, 761p, 766c, 766g, 766n, 766r, 766w, 777m and 1103m

These sections limit the authority of political subdivisions to place conditions or limits on the operations of quarries.

I am vetoing these sections because I object to this change to local authority occurring without the opportunity for public debate outside of the budget process. I recognize the upward cost pressures on road building caused by trucking aggregate long distances and the cost savings that could be realized, but these concerns must be weighed against the need for local control of land use. As such, I am vetoing this provision to allow for further public debate.

66.Supplemental Transportation Aids

Section 1091m

This section requires the Department of Transportation to pay a supplemental general transportation aids payment to qualifying towns.

I am partially vetoing this section because I object to the date the aid payments must be calculated by because information needed to accurately calculate the payments will not available by the specified date.

67.Wheel Tax Fee Increase Section 1988m

This section requires the Department of Transportation to charge at least 27 cents per vehicle registration application for municipal or county vehicle registration fees.

I am vetoing this section because I object to statutorily establishing higher fees upon the municipalities and counties that have had to adopt or increase local registration fees to improve their roads after eight years of underfunding by the Legislature.

68.Lieutenant Governor Security

Section 9144 (4o)

This provision puts a limit on the amount that the Department of Transportation is allowed to spend on the security and safety of the Lieutenant Governor.

I am vetoing this provision because I object to limiting cost expenditures in this manner because it undercuts the judgment of law enforcement. Inadequate security measures put the brave men and women of law enforcement, the Lieutenant Governor, his staff, and the general public at large in danger. This provision is politically driven and is intended to undermine the Office of the Lieutenant Governor and the valuable work he performs across the state.

69.Required Interchange for I-41 in Brown and Outagamie Counties Section 1078d

This section requires the Department of Transportation to expand I-41 from two to three lanes over 23 miles between Brown and Outagamie counties. It further requires an interchange to be constructed at Southbridge Road, French Road and Creamery Road in Brown County.

I am partially vetoing this section to delete the specified interchange because I object to dictating specific design elements for congestion and safety improvements without obtaining the input of professional highway engineers. While the Department of Transportation may decide that the specified interchange is merited, this determination should be left to the department. This veto ensures that Wisconsin’s highways will be designed to best fit the needs of its highway users.

70.Initial Applicability of Registration Fee Increases Sections 9344 (1) and 9344 (4o)

These sections specify that the changes to automobile and truck registrations initially apply to applications received by the Department of Transportation on October 1, 2019.

I am partially vetoing these sections because I object to the confusion that will be

created by linking the amount of the fee owed to when the application is received by the Department of Transportation. By vetoing the reference to when the application is received, my partial veto eliminates the potential of two individuals with the same date of application being charged different fees simply because of when the application is received. My partial veto will also avoid circumstances where an individual will mail a registration renewal prior to

October 1, 2019, but then require the same individual to submit an additional amount later because of when the application is received by the department. As a result of my partial veto, the registration fee changes will apply to applications starting on October 1, 2019.

71.Noise Barrier in Milwaukee County Section 9144 (4e)

This provision requires the Department of Transportation to install a noise barrier along the east side of I-41 adjacent to 112th Street, between Clarke Street and Center Street, in Milwaukee County by the end of the 2019-21 fiscal biennium.

I am vetoing this provision because this project is already on the Department of Transportation's project calendar and is thus unnecessary. I also object to legislatively determined deadlines for individual components of large highway projects.

72.Passenger Rail

Section 1082p

This section requires the Department of Transportation to submit a request for approval to the Joint Committee on Finance to use expenditure authority provided under a newly-created appropriation for passenger rail development.

I am vetoing this section because I object to needless oversight requirements that could cripple the operations of a vital transportation option in southeastern Wisconsin.

73.Direct Sale of Motor Vehicles from Manufacturer

Sections 1826g, 1826m and 1826s

This provision allows for the sale of motor vehicles directly by a dealership owned by a manufacturer if that manufacturer only makes electric powered cars.

I am vetoing this provision as I object to significant changes to existing motor vehicle dealership law and the consumer protections they provide to Wisconsin occurring late in the state budget process and without the opportunity for adequate public input and debate.

74.City of Kaukauna Bridge

Sections 184o and 9144 (4x)

These sections require the Department of Transportation to fund the repair of the Veterans Memorial Bridge in the city of Kaukauna on Catharine Street from the appropriation under s. 20.395 (2) (eq).

I am vetoing these sections as I object to the placement of the project in the budget, particularly given the lack of additional funding provided to ensure that this earmark does not result in a delay for other needed repairs. At my direction, the Department of Transportation has already been reviewing options to move forward with the Kaukauna bridge project and will continue to do so.

75.Alternative Project Delivery

Sections 46m, 1079m, 1089m, 9144 (4p) and 9144 (4q)

These provisions require the Department of Transportation to establish an office of innovative program delivery, contract for six projects through a “design-build” contractual framework, evaluate potential bids with a technical committee, and submit reports to the Joint Committee on Finance.

I am partially vetoing these provisions because I object to the level of specificity that has been included in the statutes and the restrictions that have been placed on the department, which will make successful implementation of this alternative project delivery system difficult. As a result of my partial veto, the department will be able to implement a contracting model that has proven successful in accelerating transportation related project delivery at a reduced cost. In addition, the department will have the flexibility to implement this system on an ongoing basis without overly prescriptive statutory parameters.

76.Payments to Offset Reduction in Video Service Provider Fees Section 1073g

This section provides a state aid payment program for ten years to compensate each municipality losing revenue as a result of the bill's reductions to fees paid by video service providers.

I am partially vetoing this section to make the payments ongoing because I object to terminating the payments after ten years. As a result of my veto, the permanent reduction in video service fees will be accompanied by a continuing stream of payments to municipalities to offset this revenue loss. This partial veto has no fiscal effect in the 2019-21 biennium.

77.Economic Development Grant for Milwaukee 7 Economic Development Partnership Section 9149 (1i)

This section creates nonstatutory language requiring the Wisconsin Economic Development Corporation to provide $250,000 in fiscal year 2019-20 to the Milwaukee 7 Economic Development Partnership for supporting efforts to secure basing of KC-46 tanker aircraft with the 128th Air Refueling Wing of the Wisconsin air national guard.

I am vetoing this section because I object to a directive that is entirely unnecessary. If the Wisconsin Economic Development Corporation, working cooperatively with the Department of Military Affairs, believes that it is likely that a grant to the Milwaukee 7 Economic Development Partnership will help secure this basing, the corporation has sufficient flexibility in its current budget to provide such support.

78.Fabrication Laboratories Grant Program Section 9149 (1g)

This section creates nonstatutory language requiring the Wisconsin Economic Development Corporation to allocate at least $500,000 in each year of the 2019-21 biennium for the purpose of awarding grants under a fabrication laboratory grant program substantially similar to the program originally created under 2015 Wisconsin Act 55.

I am vetoing this section because I object to the Legislature limiting the Wisconsin Economic Development Corporation's authority. The fabrication laboratories program has been an innovative effort to expand the educational experiences of public school children across the state, but this is a policy more appropriately

administered with other educational grant programs. If the corporation wishes to make such an allocation it can choose to do so on its own volition.