



Wisconsin Briefs

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Reference Bureau

Brief 06–9

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EXECUTIVE VETOES OF BILLS PASSED BY THE 2005 WISCONSIN LEGISLATURE FROM JANUARY 3, 2005, TO MAY 30, 2006

I. INTRODUCTION

This brief contains the veto messages of Governor Jim Doyle affecting all legislation, except 2005 Wisconsin Act 25, as passed by the 2005 Wisconsin Legislature from January 3, 2005, to May 30, 2006. *See Wisconsin Brief 05–8 for the partial vetoes of 2005 Wisconsin Act 25 (executive budget act).*

Status of Legislation. During the 2005 legislative session, for the period January 5, 2005, to May 30, 2006, there were 1960 bills introduced, of which 534 bills were passed by both houses. To May 30, 2006, Governor Doyle has acted upon 534 bills (including the partial veto of two bills and the full veto of 47 bills).

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Veto Brief Format. This brief provides the following information:

1. The legislative action for each completely vetoed or partially vetoed bill, including the vote for final passage in each house and the page number of the loose-leaf journals in each house referring to the vote (“S.J.” stands for Senate Journal; “A.J.” stands for Assembly Journal).
2. The text of the governor’s veto message for each bill.
3. For partially vetoed bills, the sections of the act in which the veto occurred (with the vetoed material indicated by a distinguishing shading — **like this**, and the write downs indicated by a distinguishing reverse shading of white numerals on black background — **like this**).

II. COMPLETELY VETOED BILLS

2005 Senate Bill 42: Photo IDs required to vote

On May 12, 2005, the senate adopted Senate Substitute Amendment 1 [as amended by Senate Amendment 9] to Senate Bill 42 by a vote of 21 to 12, S.J. 05/12/05, p. 220.

On June 15, 2005, the senate passed Senate Bill 42, as amended, by a vote of 21 to 12, S.J. 06/15/05, p. 261.

On June 23, 2005, the assembly concurred in Senate Bill 42, as amended, by a vote of 63 to 34, Paired 2, A.J. 06/23/05, p. 334.

On August 12, 2005, the Governor vetoed Senate Bill 42, S.J. 08/12/05, p. 323.

TEXT OF GOVERNOR’S VETO MESSAGE

August 12, 2005

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 42** in its entirety. Like AB 63, which I vetoed earlier this year, this bill would require voters and persons registering at the polls on Election Day to show state issued or military photo identification before being allowed to vote or register on Election Day. This bill would also repeal the current law that allows individuals to register by having their residence corroborated by another elector.

I am vetoing **SB 42** for the same reasons that I vetoed AB 63: it unfairly restricts the right to vote at the expense of far too many of Wisconsin’s law-abiding, elderly citizens. Two months ago, the University of Wisconsin–Milwaukee released a study showing that over 177,000 elderly persons in Wisconsin aged 65 and older do not possess a driver’s license or state photo identification. Thus, under this proposal, nearly one-quarter of Wiscon-

sin’s elderly population could be disenfranchised. I cannot allow that to happen.

As I pointed out in my message vetoing AB 63, Wisconsin has a proud tradition of ensuring maximum access to the right to vote. In the 2004 election, Wisconsin was third in the nation in voter turnout, while South Carolina – the only state to have such a restrictive photo ID law – ranked near the bottom. When it comes to voting rights, South Carolina should be following Wisconsin’s example, not the other way around.

I agree that Wisconsin’s election system needs reform. Earlier this year, I introduced a comprehensive package of election reforms drawing on the best ideas of Republicans and Democrats. It provides commonsense solutions on everything from mandatory training for poll workers to preventing ineligible felons from voting to reducing lines at the polls. The proposal also includes provisions designed to clean up voter registration drives by prohibit-

ing compensation based on per-voter formulas. My proposed reforms will help elections run more smoothly and protect the integrity of the election process, while still guaranteeing access at the ballot box for eligible voters. The package has been introduced in both houses of the Legislature, but for purely political reasons, the Republican leadership has never scheduled it for a vote.

While **SB 42** does include provisions aimed at preventing ineligible felons from voting – an issue I agree that needs addressing – the Legislature cynically attached those provisions to a photo ID bill that it knew I would veto because it disenfranchises 177,000 seniors. Moreover, the election reform bill that I have introduced more completely addresses the felon voting issue. Like **SB 42**, my proposal will equip poll workers with poll lists that include notations next to the names of felons who are ineligible to vote. But unlike **SB 42**, my proposal also will require all voters to specifically affirm that they are not felons ineligible to vote – a key provision that helps district attorneys prove intent when prosecuting ineligi-

ble felons. My proposal will also require a post-election audit to double-check whether any ineligible felons were allowed to vote. If it turns out that an ineligible felon did in fact vote, my proposal would require municipalities to notify their district attorneys. **SB 42** contains no similar provision.

I am willing to work with Republicans on a voter ID bill that won't disenfranchise seniors, but Republicans have been totally unwilling to work with me. I still believe a reasonable compromise is possible, but if Republicans keep sending me a bill over and over that disenfranchises 177,000 seniors, my only choice is to veto it. Hopefully, they will realize that if they actually want to get something done, they will have to work together in a bipartisan way.

Respectfully submitted,

Jim Doyle

Governor

2005 Senate Bill 55: Limits on the designation of enterprise development zones

On March 16, 2005, the senate passed Senate Bill 55 by a vote of 30 to 3, S.J. 03/16/05, p. 131.

On June 16, 2005, the assembly concurred in Senate Bill 55 on a voice vote, A.J. 06/16/05, p. 303.

On August 12, 2005, the Governor vetoed Senate Bill 55, S.J. 08/12/05, p. 324.

TEXT OF GOVERNOR'S VETO MESSAGE

August 12, 2005

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 55** in its entirety. This bill expands the current number of enterprise development zones that the Department of Commerce can designate from 79 to 84 without prior approval from the Joint Committee on Finance.

Expanding the enterprise development zone program has been a priority of my administration. With the signing of the 2005–07 biennial budget bill, 2005 Wisconsin Act 25, I have expanded the number of enterprise development zones that can be designated from 79 to 98 zones.

According to the Revisor of Statutes, the published number of enterprise development zones will be the number in the last bill signed. If signed, **Senate Bill 55** would supersede the larger increase provided in the 2005–07 biennial budget. My signing of the 2005–07 biennial budget makes this bill unnecessary and obsolete; therefore, I cannot support this bill.

Respectfully submitted,

Jim Doyle

Governor

2005 Senate Bill 58: Product liability of manufacturers, distributors, and sellers

On May 3, 2005, the senate passed Senate Bill 58 [as amended by Senate Amendments 1 and 2] by a vote of 18 to 14, S.J. 05/03/05, p. 193.

On November 8, 2005, the assembly concurred in Senate Bill 58 by a vote of 60 to 36, Paired 2, A.J. 11/08/05, p. 583.

On January 6, 2006, the Governor vetoed Senate Bill 58, S.J. 01/06/06, p. 518.

TEXT OF GOVERNOR’S VETO MESSAGE

January 6, 2005

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 58**. The bill makes sweeping changes to Wisconsin’s product liability law and places a larger burden on consumers to prove the defective condition of products.

I am committed to investing in all of our industries and fostering a business climate in Wisconsin that promotes growth. However, growing Wisconsin’s economy should not be at the expense of injured consumers’ and workers’ ability to hold wrongdoers accountable. For example, the bill grants automatic immunity for any product that has been in the marketplace for 15 years. This arbitrary time limit is inherently unfair and puts consumers and workers at a disadvantage, given that a defect in a product may not manifest until years after the product is placed in the stream of commerce.

In addition, the bill creates a presumption that a manufactured product is not defective if it complies with the relevant state and federal laws, at the time of sale. Unfortunately, history is full of examples – like the Ford Pinto – where manufacturers complied with existing government regulations, all the while concealing information about a product that threatened public health and safety. Producers who hide information from government regu-

lators and the public shouldn’t have an advantage against more responsible companies.

The bill also provides a liability shield for distributors and sellers when they receive products in a sealed container. By shielding these two groups from liability, it takes away the incentive of the industry as a whole to produce, sell, and market the safest products possible. Moreover, there is no definition of sealed container in the legislation, making this a dangerously vague exception.

This bill simply goes too far. Protecting products like the Ford Pinto doesn’t help consumers or the economy; it simply puts the public at risk. Companies should be held fully accountable if they make a product that hurts people – especially if they knowingly do so and conceal information from government regulators.

Growing Wisconsin’s economy and protecting the safety of consumers in Wisconsin are both priorities of my Administration. Any legislation must fairly balance the interests of consumers with those of manufacturers, distributors, and sellers.

Sincerely,

JIM DOYLE

Governor

2005 Senate Bill 68: Supplementing special education funding with lapsed student achievement guarantee contract moneys

On April 5, 2005, the senate adopted Senate Substitute Amendment 1 to Senate Bill 68 on a voice vote, S.J. 04/05/05, p. 147, and passed Senate Bill 68, as amended, by a vote of 19 to 14, S.J. 04/05/05, p. 147.

On November 8, 2005, the assembly adopted Assembly Amendment 1 to Senate Bill 68 on a voice vote, A.J. 11/08/05, p. 592, and concurred in Senate Bill 68, as amended, by a vote of 57 to 38, Paired 2, A.J. 11/08/05, p. 593.

On January 17, 2006, the senate concurred in Assembly Amendment 1 to Senate Bill 68 on a voice vote, S.J. 01/17/06, p. 528.

On April 18, 2006, the Governor vetoed Senate Bill 68, S.J. 04/19/06, p. 777.

TEXT OF GOVERNOR’S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 68**. This bill permits schools to choose not to comply with the requirement to reduce class sizes in grades two or three or both and to forego aid under the SAGE program for students in those classes. This provision would apply to just those districts in which no more than 50 percent of the student enrollment is comprised of pupils who are eligible for free or reduced-price lunch. If a school were to choose to not

reduce class size and forego aid for students in grades two or three or both, that school would still be eligible for the current law payment under the SAGE program for students in grades in which it continued to reduce class size.

The bill also creates a new, sum sufficient special education aid supplemental appropriation. The appropriation amount would be equal to the amounts lapsed to the general fund in the previous fiscal year from the SAGE appropriation. The funds would be used for the payment

of aids for special education and school age parent programs, to be distributed in the same manner as under current law. In effect, funds appropriated for the SAGE program that go unexpended as a result of districts opting out of the class reduction requirements of the SAGE program for grades two, three, or both, would be used for special education and school age parent programs.

As Governor, I have been forced to use my veto pen on more than one occasion to defend the SAGE small class size program against attacks by the Legislature, and I will do so again today. This bill lets schools take small class size funding without actually reducing class sizes. That makes no sense. Every parent and every teacher knows

that one of the best things you can do for a child's education is to put them in a classroom with fewer students. Moreover, research shows that the positive outcomes associated with reduced class sizes are sustained only if class sizes remain reduced over consecutive years, in kindergarten through third grade. This bill is a cynical attack on the SAGE program that would result in more students being packed into larger classes in the early grades – a critical stage in their education.

Sincerely,

JIM DOYLE

Governor

2005 Senate Bill 70: Evidence of lay and expert witnesses

On September 20, 2005, the senate passed Senate Bill 70 by a vote of 18 to 15, S.J. 09/20/05, p. 355.

On November 8, 2005, the assembly concurred in Senate Bill 70 by a vote of 60 to 36, Paired 2, A.J. 11/08/05, p. 584.

On January 6, 2006, the Governor vetoed Senate Bill 70, S.J. 01/06/06, p. 519.

TEXT OF GOVERNOR'S VETO MESSAGE

January 6, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 70**. This bill would change the state standard for admissibility of lay and expert witness testimony in our courts and administrative hearings. Under current law, juries weigh the reliability and credibility of witness testimony while challenges are made through cross-examination. This bill would require judges to act as "gatekeepers" of information and the arbiters of what is allowable expert testimony based on what they perceive to be sound scientific method.

I am vetoing this bill for many of the same reasons that I vetoed the similar, Senate Bill 49, from last session. As I previously stated, I am aware of no evidence that Wisconsin's existing rules governing the admissibility of lay and expert witness testimony have produced unfair results and require revision. Wisconsin judges are already empowered under current law to reject evidence because it is superfluous, prejudicial or inherently improbable.

Moreover, **SB 70** would hinder the efforts of state prosecutors in criminal prosecutions. Under this bill, state prosecutors would face an additional obstacle in introducing key expert testimony that relies on disciplines such as psychiatry, DNA testing, fingerprinting or forensics.

In short, this bill is a solution in search of a problem, and it would only make the job of prosecutors in Wisconsin harder. Judges and juries can already reject evidence if it is superfluous or improbable, so there is simply no reason to add additional procedural hurdles to the system. I trust juries in this state to properly weigh the credibility and reliability of evidence when making their decisions, and I must therefore veto this bill.

Sincerely,

JIM DOYLE

Governor

2005 Senate Bill 138: Voluntary and informed consent for abortions

On September 27, 2005, the senate adopted Senate Substitute Amendment 1 to Senate Bill 138 on a voice vote, S.J. 09/27/05, p. 366, and passed Senate Bill 138, as amended, by a vote of 21 to 12, S.J. 09/27/05, p. 366.

On November 8, 2005, the assembly concurred in Senate Bill 138 by a vote of 61 to 34, Paired 2, A.J. 11/08/05, p. 585.

On January 6, 2006, the Governor vetoed Senate Bill 138, S.J. 01/06/06, p. 519.

TEXT OF GOVERNOR’S VETO MESSAGE

January 6, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 138**, which requires doctors to make certain statements to women seeking abortions.

A woman considering an abortion is confronted with a profoundly personal dilemma. Her decision making process becomes more difficult the further along the pregnancy. Few abortions occur after the twentieth week of gestation and when they are being considered it is often because of serious, sometimes fatal, health care complications for the fetus and/or the pregnant woman. In any such circumstance, it is my hope that a woman’s family, friends and personal physician will be available to assist her in making the best decision for her and her family. Certainly, they are the individuals best positioned to do so.

The state already intervenes in this decision making process by requiring that a woman considering an abortion provide informed consent. Her physician must provide information on fetal development and the risks of undergoing an abortion. According to state law the information currently provided must be objective and accurate.

The required notice of fetal pain in this bill fails to reflect a consensus of medical opinion. In fact, a recent article in the Journal of the American Medical Association reported that after a thorough review of the available lit-

erature, there is no conclusive scientific evidence of when a fetus first feels pain. Many of the studies reviewed indicate that pain perception probably does not function before the third trimester.

For any medical procedure, the information that a doctor provides to a patient should be based on the best available science and proven medical practice. All the more so when the medical procedure involves a pregnant woman with potentially serious medical complications. It would be reckless to inject a requirement that doctors communicate unproven science to their patients during an already difficult and sometimes traumatic time. Certainly, the legislature is in no position to decide what is and what is not settled medical fact.

This bill intrudes on the doctor patient relationship in a heavy handed manner and contravenes the requirement that doctors provide objective and accurate information to their patients. In any case, I trust doctors, not the Legislature, to make medical judgments. We should keep the doctor-patient relationship between doctors and patients and keep the Legislature out of it.

Sincerely,

JIM DOYLE

Governor

2005 Senate Bill 171: The scheduling of referenda to approve school district borrowing or exceed a school district’s revenue limit

On May 5, 2005, the senate passed Senate Bill 171 [as amended by Senate Amendment 1] by a vote of 17 to 16, S.J. 05/05/05, p. 200.

On December 6, 2005, the assembly concurred in Senate Bill 171 by a vote of 57 to 38, Paired 2, A.J. 12/06/05, p. 654.

On January 6, 2006, the Governor vetoed Senate Bill 171, S.J. 01/06/06, p. 519.

TEXT OF GOVERNOR’S VETO MESSAGE

January 6, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 171** in its entirety. This bill prohibits school boards from calling a special election to hold referenda to seek voter approval for the purpose of borrowing money or exceeding the revenue limit applicable to the school district.

Under current law, school boards must obtain, through referenda, approval of the school district’s electors for either of these purposes. Referenda may be held at the next regularly scheduled primary or election held at least

45 days after adopting the borrowing resolution or at least 42 days after adopting the resolution to exceed the limit is filed. Additionally, referenda may be held at a special election. This bill prohibits a school board from calling a special election for either of these purposes, except that a special election could occur in the odd-numbered years on the second Tuesday in September and the first Tuesday after the first Monday in November. Under the bill, referenda to borrow money or exceed the revenue limit could be held on just four possible dates in any year.

I am vetoing **Senate Bill 171** because I believe it places an unnecessary and burdensome restriction on local communities. Current law already requires school boards to provide ample notice for upcoming referenda held during a special election. This bill would limit the ability of school boards to respond to emergencies or financial crises. The children in a school building where a roof collapsed should not have to wait an additional three months or more for repairs simply because the roof happened to collapse just after a regularly scheduled election.

Elected school board members are accountable to local voters. The best way to influence the scheduling of school referenda is to encourage citizens to vote for school board members who reflect their views, not by eroding local control with more state mandates.

Sincerely,

JIM DOYLE

Governor

2005 Senate Bill 268: Regulation of rental-purchase agreements

On March 2, 2006, the senate passed Senate Bill 268 [as amended by Senate Amendments 1 and 2 (as amended by Senate Amendment 1)] by a vote of 18 to 14, S.J. 03/02/06, p. 675.

On March 9, 2006, the assembly concurred in Senate Bill 268 by a vote of 55 to 37, Paired 6, A.J. 03/09/06, p. 963.

On March 30, 2006, the Governor vetoed Senate Bill 268, S.J. 03/30/06, p. 761.

TEXT OF GOVERNOR'S VETO MESSAGE

March 30, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 268**. This bill would exempt rental-purchase agreements from various provisions of the Wisconsin Consumer Act and modify how the rent-to-own industry is regulated in Wisconsin.

The Wisconsin Consumer Act has for decades provided strong protections for Wisconsin consumers. As Attorney General, I successfully fought in the courts to assure that the Wisconsin Consumer Act applied to rent-to-own transactions. While **SB 268** includes some significant improvements over past legislative efforts, I am not satisfied that this bill adequately protects consumers.

Moreover, the Departments of Agriculture, Trade and Consumer Protection and Financial Institutions both recommend that I veto **SB 268**. DATCP and DFI have found no reason to give special treatment to the rent-to-own industry, and have raised substantial concerns about the numerous protections that consumers would forfeit under the bill. I agree with DATCP and DFI, and I simply cannot sign **SB 268** into law.

Sincerely,

JIM DOYLE

Governor

2005 Senate Bill 390: A harbor assistance grant for the construction of a dockwall in the city of Marinette

On October 25, 2005, the senate passed Senate Bill 390 by a vote of 18 to 15, S.J. 10/25/05, p. 406.

On October 27, 2005, the Assembly concurred in Senate Bill 390 by a vote of 57 to 40, A.J. 10/27/05, p. 552.

On November 1, 2005, the Governor vetoed Senate Bill 390, S.J. 11/01/05, p. 419.

TEXT OF GOVERNOR'S VETO MESSAGE

November 1, 2005

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 390** in its entirety. This bill directs the Department of Transportation to provide a general obligation bond supported grant of \$1.6 million to the city of Marinette for the construction of a dockwall at the Waupaca Foundry. The bill also waives the require-

ment that the department reimburse a maximum of 80 percent of the total costs of a project.

This bill is redundant and unnecessary because my administration has already provided nearly \$2 million for the Waupaca Foundry to construct the dockwall, reno-

vate its facilities, and invest in new equipment and training.

My administration is funding this project through Community Development Block Grants and other training grants and tax credits which are intended for a project like this one. The legislation sent to me diverts funds away from the Harbor Assistance Grant Program, which would only hurt other worthy harbor projects in the area.

Moreover, the project does not meet various requirements of the Harbor Assistance Grant Program, which requires that the Department of Transportation give precedence to projects with high levels of commercial boat traffic. As the foundry does not utilize the Marinette har-

bor for boat traffic, it would not score well in the application evaluation process. The acceptance of this proposal would both delay approved projects and eliminate the possibility of funding other worthy harbor transportation projects later in the biennium.

In the end, the bill the Legislature sent to me provides less funding and diverts funds away from other nearby communities. Since the project has already been funded, there is no need for this legislation.

Sincerely,
JIM DOYLE
Governor

2005 Senate Bill 402: Actions against manufacturers, distributors, sellers, and promoters of products

On November 8, 2005, the senate passed Senate Bill 402 [as amended by Senate Amendment 1 (as amended by Senate Amendment 1)] by a vote of 19 to 14, S.J. 11/08/05, p. 441.

On December 13, 2005, the assembly concurred in Senate Bill 402 on a voice vote, A.J. 12/13/05, p. 673.

On January 6, 2006, the Governor vetoed Senate Bill 402, S.J. 01/06/06, p. 520.

TEXT OF GOVERNOR'S VETO MESSAGE

January 6, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 402**. This bill is the Legislature's response to *Thomas v. Mallett*, 2005 WI 129, the recent Wisconsin Supreme Court decision that allows persons injured by lead paint to pursue claims against lead paint manufacturers, in instances where an injured claimant is unable to identify the specific manufacturer that manufactured the specific lead paint that caused the claimant's injury. **SB 402** would undo the effect of this decision and shield the lead paint industry from otherwise viable claims brought by persons injured by the ingestion of lead paint.

I am vetoing this bill because the problem of lead paint poisoning in Wisconsin is substantial and ongoing, and children injured by the ingestion of lead paint should have some recourse against the companies that manufactured lead paint. Since 1987, over 100,000 children have been poisoned by lead paint in Wisconsin, and thousands more cases are reported each year. Milwaukee has one of the highest rates of lead paint poisoning among children in the United States. The children injured by lead paint

face potentially lifelong medical costs that they should not be forced to bear alone. They deserve to have justice.

In short, this bill puts lead paint companies first and children last. It is an attempt to whitewash decades of negligence by the lead paint companies. Many of these companies knew there was reason to believe their product was dangerous, yet they ignored that evidence in order to turn a profit. There is no reason why these companies should be given special legal protections given their documented record of endangering America's children.

I recognize that Wisconsin's manufacturing sector may have legitimate concerns in wanting to limit what it perceives as the potential reach of the Wisconsin Supreme Court decision in *Thomas*. I encourage the Legislature to craft a responsible solution that addresses the concerns of manufacturers as a whole, but I will not sign into law a bill that shuts the doors of justice on children poisoned by lead paint. I therefore must veto this bill.

Sincerely,
JIM DOYLE
Governor

2005 Senate Bill 403: Carrying a concealed weapon

On December 6, 2005, the senate adopted Senate Substitute Amendment 2 [as amended by Senate Amendment 9] to Senate Bill 403 on a voice vote, S.J. 12/06/05, p. 484, and passed Senate Bill 403, as amended, by a vote of 23 to 10, S.J. 12/06/05, p. 484.

On December 13, 2005, the assembly adopted Assembly Amendment 15 to Senate Bill 403 by a vote of 71 to 25, A.J. 12/13/05, p. 677, and concurred in Senate Bill 403, as amended, by a vote of 64 to 32, Paired 2, A.J. 12/13/05, p. 679.

On January 17, 2006, the senate concurred in Assembly Amendment 15 to Senate Bill 403 by a vote of 28 to 5, S.J. 01/17/2006, p. 529.

On January 20, 2006, the Governor vetoed Senate Bill 403, S.J. 01/23/06, p. 547.

TEXT OF GOVERNOR'S VETO MESSAGE

January 20, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 403** in its entirety for many of the same reasons that I vetoed a similar concealed carry bill last session.

Wisconsin is one of the safest states in the country and boasts one of the lowest crime rates nationwide. In fact, Wisconsin was ranked in the top ten safest states to live in 2005. It is a testament to the people of Wisconsin that our state is not only one of the safest places to live in the country, but also has a proud tradition of responsible gun ownership and use. Wisconsin has long been known for the world class hunting and sport shooting opportunities available to Wisconsin citizens and tourists from other states. Just as our state's ban on concealed weapons has not interfered with these Wisconsin traditions, Wisconsin's gun owners will not be harmed in any way by rejection of this legislation.

Perhaps these traditions are among the reasons why those we most entrust with protecting our safety—our highly trained law enforcement officers—still overwhelmingly oppose lifting the ban on the carrying of concealed weapons.

SB 403 endangers public safety by allowing individuals to carry concealed weapons into many public places, including shopping malls, banks, movie theaters, numerous government buildings including the State Capitol, fair grounds, concert venues, parades, parking lots, farmers markets, parks, and so on. The bill even allows a person to carry a concealed weapon while consuming alcohol and puts Wisconsin's children at risk by creating a variety of instances in which it would be legal for an individual to carry a concealed weapon within a school zone.

In addition, **SB 403** carves out an unjustified new loophole in Wisconsin's open records law to prevent the public from knowing who has concealed weapons. It is absurd that under this bill, hunting and fishing licenses

would be subject to open records, but not licenses to carry lethal weapons into shopping malls.

SB 403 even limits law enforcement's ability to access information. Under the bill, a police officer would only be aware of whether or not a person is carrying a concealed weapon for specified purposes related to routine traffic stops. Therefore, police officers responding to a call from a house or business, or following a suspect on foot, will not be aware if any of the people involved have a license for a concealed weapon. In addition, police officers following a suspect who has a warrant out for his or her arrest and who is not breaking any traffic laws will not be able to learn whether or not that person has a license for a concealed weapon. This makes the job of law enforcement increasingly difficult and dangerous.

The bill's exemption for private businesses is also highly unworkable. In order for business owners to prevent anyone carrying a concealed weapon from entering their stores, the bill not only requires businesses to post warning signs at their front doors, but also requires the businesses to "personally and orally" warn that concealed weapons are not permitted on site. A business owner would actually have to approach each and every person suspected of carrying a concealed weapon and personally ask that person to leave the premises. **SB 403** also creates a significant liability disparity between businesses that allow concealed weapons on their premises and those who wish to restrict them. Under the bill, employers that allow their employees and customers to carry concealed weapons have immunity from liability, but business owners who prohibit concealed weapons from their premises would not have immunity under the law.

This veto does not result in an absolute ban on the carrying of concealed weapons in one's home or private business, which the Wisconsin Supreme Court has upheld as constitutional, nor does this action eliminate any existing rights of Wisconsin citizens. Instead, this veto seeks to protect the safety of the citizens of Wisconsin, and the police officers working to ensure that safety, by maintain-

ing the balance of responsible gun control designed to keep guns out of the wrong hands, with the right of every citizen to bear arms. I continue to stand with the majority of Wisconsin law enforcement in my belief that lifting the state's 134-year-old ban on the carrying of concealed

weapons is neither warranted nor appropriate.

Sincerely,
JIM DOYLE
Governor

2005 Senate Bill 420: Definition of a group health benefit plan and reports by the Commissioner of Insurance on the effect of changing the definition

On February 28, 2006, the senate passed Senate Bill 420 [as amended by Senate Amendments 1 and 2] by a vote of 19 to 14, S.J. 02/28/06, p. 645.

On March 9, 2006, the assembly concurred in Senate Bill 420 by a vote of 59 to 35, Paired 2, A.J. 03/09/06, p. 960.

On April 14, 2006, the Governor vetoed Senate Bill 420, S.J. 04/14/06, p. 774.

TEXT OF GOVERNOR'S VETO MESSAGE

April 14, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 420**. The bill changes the definition of a group health benefit plan in such a way that it will harm consumers. Under current law, a group health benefit plan is a group plan that is sold to two or more employees of an employer, or an individual policy sold to three or more employees of an employer. In both cases, numerous consumer protections apply. This bill changes the definition of a group health benefit plan by increasing, from three to nine, the number of individual health benefit plans that constitutes a group health benefit plan. This bill also changes the definition of "small employer insurer" so that an insurer that sells nine or more individual health benefit plans (rather than three or more as under current law) to a small employer is a small employer insurer.

By raising the threshold for group coverage under the individual market regulations until at least 9 employees sign up for coverage, the bill reduces consumer protections for employees of small employers. The bill also increases costs and limits insurance options for older and less healthy employees. The bill acknowledges this likely loss in coverage by requiring the Office of Commissioner of Insurance to measure the impact the bill has on increasing the number of Health Insurance Risk Sharing Plan (HIRSP) applicants and Medical Assistance recipients, who apply because they work for small employers who dropped coverage in favor of individual list billing.

Under this bill, many employees could be removed from small employer health insurance protections if employers decide to cease group coverage and facilitate the purchase of individual policies through employee payroll

deductions. Consequently, these employees would no longer be covered by the protections currently available to small insurance plan participants. These protections include:

- Continuation and conversion rights, which permit persons who leave the group to acquire group health insurance for up to 18 months. While the individual may be asked to pay the premiums for a continuation policy, coverage under these policies is generally less expensive and offer better benefits than individual coverage. Once the conversion period is ended, the individual must then be offered a conversion policy, which is individual coverage.
- Portability, which permits an individual with prior group coverage to move to their next group, or in some cases, to the state high-risk pool without serving a new pre-existing condition waiting period. Persons who do not exercise their portability rights within 63 days of losing group coverage lose this right.
- Guarantee issue for small group coverage, meaning that the insurer must accept all members of a group without excluding pre-existing health conditions. In the individual market, each policy is underwritten and insurers are permitted to both refuse coverage to those individuals who do not meet the insurer's underwriting standards and exclude coverage for pre-existing health conditions.
- Mandated benefits required for group plans. For example, required group plans benefits including for mental health and AODA treatment are not required benefits under individual policies.
- Limits on the rates that can be charged to employers with small group health insurance policies that do not apply in the individual market.

When employees are removed from group coverage they would then be forced to look at individual plans, including the state HIRSP program, for their insurance needs.

Individual plans are often less affordable than group coverage and many may be unable to afford these individual plans. The likely result would be an increase in the number of uninsured individuals in the state.

While the bill was advertised as a way to decrease costs and improve access, it probably would have the opposite

effect and result in higher costs and fewer insured individuals and families. Because I want to ensure that access to coverage is as broad as possible and that the consumer protections of small group insurance laws are available to as many people as possible, I am vetoing this bill.

Sincerely,

JIM DOYLE

Governor

2005 Senate Bill 446: Interfund transfers in state government

On March 7, 2006, the senate passed Senate Bill 446 by a vote of 21 to 12, S.J. 03/07/06, p. 702.

On May 4, 2006, the assembly concurred in Senate Bill 446 on a voice vote, A.J. 05/04/06, p. 1118.

On May 26, 2006, the Governor vetoed Senate Bill 446, S.J. 05/26/06, p. 0 (no page number at the time of publication).

TEXT OF GOVERNOR'S VETO MESSAGE

May 26, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 446**. The bill would limit the Secretary of the Department of Administration's authority to determine the date of inter-fund transfers, when none is specified, by requiring that the transfer take place during the fiscal year in which the law takes effect.

At best, this bill is unnecessary. The DOA Secretary's authority to determine the date of a transfer pertains only if a date is not otherwise specified. If the Legislature wants to specify a date, it can do so.

At worst, this bill would needlessly restrict the Secretary's obligation to manage the state's finances in a prudent manner. Managing the finances of an enterprise with over \$25 billion in annual funding is inherently

complex and not all circumstances can be anticipated. The flexibility granted the Secretary of Administration in determining fund transfers allows the DOA to adjust to changing circumstances.

As a practical matter, **SB 446** may not be workable in the context of a biennial budget. Non-statutory provisions such as transfers could easily be effective the date of publication or the first year of the biennium. In executing a two-year budget, a transfer in the second year could be the better option to comply with legislative intent for a balanced budget.

Respectfully submitted,

JIM DOYLE

Governor

2005 Senate Bill 447: Punitive damage awards

On January 31, 2006, the senate passed Senate Bill 447 [as amended by Senate Amendments 1 and 2] by a vote of 19 to 14, S.J. 01/31/06, p. 567.

On March 7, 2006, the assembly adopted Assembly Substitute Amendment 1 to Senate Bill 447 on a voice vote, A.J. 03/07/06, p. 930, and concurred in Senate Bill 447, as amended, by a vote of 56 to 37, Paired 4, A.J. 03/07/06, p. 930.

On March 9, 2006, the senate concurred in Assembly Substitute Amendment 1 to Senate Bill 447 on a voice vote, S.J. 03/09/06, p. 722.

On April 14, 2006, the Governor vetoed Senate Bill 447, S.J. 04/14/06, p. 774.

TEXT OF GOVERNOR’S VETO MESSAGE

April 14, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 447**. This bill substantially heightens the standard for when punitive damages may be awarded. Specifically, the bill provides that punitive damages may only be awarded when a defendant either acted with the “intent to cause injury to a particular person or persons” or where the defendant knew that his or her conduct “was practically certain to result in injury to one or more persons.”

Punitive damages should be rarely granted; however, this bill would make it virtually impossible to ever obtain such damages. Appropriately applied, punitive damages can lead to important safety changes. From asbestos products to highly flammable children’s pajamas, punitive damages have protected the public by prompting unsafe products to be taken off the market. Manufacturers of these products were often aware of the hazard, but failed to disclose it to the public. Under this bill, many of these reasonable punitive damages awards would have been unavailable, putting Wisconsin citizens at risk.

Moreover, current law already provides a check to excessive punitive damage awards. If a jury returns a damage amount that is unreasonable, a defendant may challenge the validity of the amount and a judge may reduce it appropriately. In fact, the vast majority of punitive damage awards are not the \$100 million payout heard about in the news. The U.S. Department of Justice Bureau of Justice Statistics recently found that the median punitive damage award to plaintiffs determined by a jury was \$50,000, while the median award determined by a bench trial was \$46,000.

It is important to balance the rights of citizens against the protections for businesses. However, this bill goes too far to protect businesses at the expense of the citizens of Wisconsin. Their rights also need to be protected, and that is why I am vetoing this bill.

Sincerely,
JIM DOYLE
Governor

2005 Senate Bill 501: Damages for frivolous claims

On January 31, 2006, the senate passed Senate Bill 501 by a vote of 19 to 13, S.J. 01/31/06, p. 569.

On March 7, 2006, the assembly adopted Assembly Substitute Amendment 1 to Senate Bill 501, A.J. 03/07/06, p. 930, and concurred in Senate Bill 501, as amended, by a vote of 58 to 36, Paired 2, A.J. 03/07/06, p. 931.

On March 9, 2006, the senate concurred in Assembly Substitute Amendment 1 to Senate Bill 501 on a voice vote, S.J. 03/09/06, p. 723.

On April 14, 2006, the Governor vetoed Senate Bill 501, S.J. 04/14/06, p. 774.

TEXT OF GOVERNOR’S VETO MESSAGE

April 14, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 501**, relating to reimbursement of certain attorney’s fees and other litigation costs.

I am vetoing **SB 501** because it removes the discretion of judges when dealing with frivolous claims and adds confusion to the existing rules. Current law already authorizes courts to impose sanctions, including the award of expenses and attorney fees, against litigants who bring frivolous lawsuits. The existing rules, passed just last year, are the product of a two-year long, Wisconsin Supreme Court rule-making process and are structured to provide Wisconsin courts with a variety of tools to best deal with and deter frivolous filings. These rules are sup-

ported by those representing both sides of the table – both plaintiff and business interests – and I believe they give judges what is necessary to punish and help reduce the filing of frivolous lawsuits in Wisconsin.

I agree that frivolous lawsuits are a concern, but we shouldn’t be passing laws that strip elected judges of the tools that both the plaintiff and defense bar agree judges need, and force their hand to treat every frivolous claim exactly the same. **SB 501** would do just that, and I cannot sign it into law.

Sincerely,
JIM DOYLE
Governor

2005 Senate Bill 551: Creating an exemption for certain wetlands for the construction of a structure located in the town of Franklin, Kewaunee County

On February 21, 2006, the senate passed Senate Bill 551 by a vote of 19 to 14, S.J. 02/21/06, p. 613.

On May 2, 2006, the assembly concurred in Senate Bill 551 by a vote of 59 to 36, Paired 2, A.J. 05/02/06, p. 1087.

On May 26, 2006, the Governor vetoed Senate Bill 551, S.J. 05/26/06, p. 0 (no page number at the time of publication).

TEXT OF GOVERNOR'S VETO MESSAGE

May 26, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 551**. The bill creates an exemption from current law to allow for one particular construction project in Kewaunee County to move forward even though it does not comply with the wetland laws that all other citizens of our state are expected to follow.

This bill undermines Wisconsin's natural resource laws to protect one particular building built on a wetland. Our natural heritage, so critical in generating tourism and jobs, should be managed in the best interests of all Wisconsin residents. We can't have a system where the Legislature is deciding who gets building permits and who doesn't.

A better use of the Legislature's time would be to focus on improving the process so that miscommunications over whether a project is acceptable won't happen in the

future. My administration has already launched the most sweeping regulatory reform in the Midwest, so I am more than willing to work with legislators in both parties to improve the process further. Changing the rules so that one person gets special treatment and putting the Legislature in charge of building permits isn't something I can agree to, however.

My administration is committed to encouraging responsible growth and development throughout Wisconsin and those efforts are undermined when the Legislature, on a case-by-case basis, decides when our environmental protection laws should be enforced.

Respectfully submitted,

JIM DOYLE

Governor

2005 Senate Bill 567: Limiting eligibility for public assistance programs to U.S. citizens and qualifying aliens and requiring documentary proof of citizenship or satisfactory immigration status

On February 23, 2006, the senate passed Senate Bill 567 by a vote of 19 to 14, S.J. 02/23/06, p. 624.

On May 4, 2006, the assembly concurred in Senate Bill 567 by a vote of 51 to 42, A.J. 05/04/06, p. 1127.

On May 26, 2006, the Governor vetoed Senate Bill 567, S.J. 05/26/06, p. 0 (no page number at the time of publication).

TEXT OF GOVERNOR'S VETO MESSAGE

May 26, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 567**, which duplicates requirements passed by Congress and signed by the President.

Illegal immigrants are not eligible for government programs. Under the provisions of the federal Deficit Reduction Act of 2005, applicants for Medicaid programs will be required to provide documentation of both citizenship and identification. The state is required to follow that law. I am vetoing this bill because it will create

unnecessary confusion with federal law set to go into effect on July 1, 2006, and because it could deny needed services to many eligible American citizens.

Duplicative requirements could create confusion, added costs, and additional hassles that could mean that many U.S. citizens would be denied services they need and for which they are eligible. A senior citizen without access to a birth certificate might be denied needed prescriptions. A homeless Vietnam veteran might not have the documents he needs to get food stamps.

We should make sure that illegal immigrants do not illegally gain access to these services, but we should not do anything that would prevent American citizens from getting the help they need.

Sincerely,
JIM DOYLE
Governor

2005 Senate Bill 578: Confidentiality of health care review records and immunity

On March 2, 2006, the senate adopted Senate Substitute Amendment 2 [as amended by Senate Amendment 1] to Senate Bill 578 on a voice vote, S.J. 03/02/06, p. 669, and passed Senate Bill 578, as amended, by a vote of 29 to 3, S.J. 03/02/06, p. 669.

On March 2, 2006, the assembly concurred in Senate Bill 578, A.J. 03/02/06, p. 898.

On April 18, 2006, the Governor vetoed Senate Bill 578, S.J. 04/19/06, p. 778.

TEXT OF GOVERNOR'S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 578**. This bill would exempt from discovery records related to quality improvement activities by health care providers in civil actions and administrative proceedings and would provide immunity for acts and omissions to persons participating in quality improvement activities.

I am vetoing this bill because it is unnecessarily broad in defining what activities constitute a quality improvement activity and what records would be kept confidential. Patient advocates have raised concerns about adequate access to records needed to redress suspected wrongdoing. These concerns have not been fully resolved. Although I fully support efforts to improve health care quality and to promote the use of legitimate quality improvement activities, this bill goes too far in allowing providers to define and shield information and claim immunity in the name of quality improvement.

Current law provides that most records pertaining to peer review activities are shielded except when the release is explicitly authorized. Current law also provides immunity from civil actions to persons acting in good faith and participating in a peer review activity. The effect of this veto is to maintain the current definition and protection of peer review records and immunity for peer review activities contained in current law.

Efforts to reform peer review or quality improvement activities must balance provider protections with patients' and the public's right to information. This bill fails to strike the proper balance.

Sincerely,
JIM DOYLE
Governor

2005 Senate Bill 617: Prohibiting the commissioner of insurance from promulgating certain rules related to defined network plans and preferred provider plans for medical insurance and requiring certain notices

On March 2, 2006, the senate passed Senate Bill 617 [as amended by Senate Amendment 1] by a vote of 19 to 13, S.J. 03/02/06, p. 661.

On March 7, 2006, the assembly concurred in Senate Bill 617 by a vote of 58 to 35, Paired 2, A.J. 03/07/06, p. 931.

On April 14, 2006, the Governor vetoed Senate Bill 617, S.J. 04/14/06, p. 774.

TEXT OF GOVERNOR'S VETO MESSAGE

April 14, 2006

To the Honorable Members of the Senate:

I am vetoing **Senate Bill 617** which seriously inhibits the ability of the Office of the Commissioner of Insurance (OCI) to regulate preferred provider plans (PPP).

OCI has been working with the industry to negotiate a number of regulations that would protect consumers with respect to access to providers, cost-sharing and consumer notification. These administrative rule changes were nearly all approved by the Joint Committee on Administrative Rules, and OCI staff are working on com-

promises on the remaining few issues. This bill negates all of this effort and allows PPPs to severely limit access to providers, increase charges to consumers without notification to them, and drastically limit services provided by out-of-network providers, again without notification to consumers.

Sincerely,

JIM DOYLE

Governor

2005 Assembly Bill 3: The number of pupils eligible to participate in the Milwaukee Parental Choice Program

On January 27, 2005, the assembly passed Assembly Bill 3 [as amended by Assembly Amendment 7] by a vote of 58 to 35, Paired 2, A.J. 01/27/05, p. 55.

On February 8, 2005, the senate concurred in Assembly Bill 3 by a vote of 18 to 14, S.J. 02/08/05, p. 74.

On April 29, 2005, the Governor vetoed Assembly Bill 3, A.J. 05/03/05, p. 215.

TEXT OF GOVERNOR'S VETO MESSAGE

April 29, 2005

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 3** in its entirety. This bill increases the cap on the number of pupils that may participate in the Milwaukee Parental Choice Program from 15% of the enrollment in the Milwaukee Public Schools, which is estimated to be approximately 14,750 students in the 2005-06 school year, to 16,500 pupils beginning in 2005-06.

I have said repeatedly that I am willing to support a proposal to lift the Choice cap as long as it also addresses the needs of the vast majority of Milwaukee children who attend public schools. I believe that adjustments to the school choice cap should only be made in the context of a broader effort to improve education for ALL students. **AB 3** does nothing to improve the quality of education in Milwaukee's public schools. This bill helps a few students at the expense of many – and at the expense of property taxpayers. Unfortunately, many in the Legislature who have been the most vocal proponents of expanding school choice have also been the strongest opponents of measures that would help all students, such as investing in smaller class sizes and four-year-old kindergarten.

Further, I am vetoing this bill because it would have negative financial implications for the state, hurt Milwaukee taxpayers, and drain resources from children in Milwaukee Public Schools. For example, if 1,500 additional

pupils enter the Choice Program as a result of the bill, state costs would increase by \$4.9 million, property taxes in Milwaukee would increase by \$2.3 million, and revenues for educating children in Milwaukee would be reduced by up to \$13.5 million. These changes are contrary to my efforts to provide property tax relief that maintains our commitment to educate all of our children.

Finally, I am vetoing **AB 3** because it does not provide a long-term solution to the allocation of seats in the program if the new cap is reached next year or in the future. Last year, the Department of Public Instruction proposed a reasonable and workable solution to this issue, one that would have given preference to existing students in the Choice program and their siblings. That solution was rejected by the Joint Committee for the Review of Administrative Rules, which opted to create a crisis rather than craft a solution.

In vetoing this bill, I also repeat my offer: Let's work together to craft a broad, meaningful, long-term solution that improves educational opportunities for all Milwaukee schoolchildren, whether they attend Choice schools or public schools.

Sincerely,

James Doyle

Governor

2005 Assembly Bill 4: Adopting federal law as it relates to health savings accounts for state income and franchise tax purposes

On January 27, 2005, the assembly adopted Assembly Substitute Amendment 2 by a vote of 62 to 34, A.J. 01/27/05, p. 51.

On February 15, 2005, the assembly passed Assembly Bill 4, as amended, by a vote of 63 to 33, A.J. 02/15/05, p. 71.

On April 25, 2006, the senate concurred in Assembly Bill 4 by a vote of 19 to 14, S.J. 04/25/06, p. 791.

On May 26, 2006, the Governor vetoed Assembly Bill 4, A.J. 05/26/06, p. 1156.

TEXT OF GOVERNOR’S VETO MESSAGE

May 26, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 4** in its entirety. This bill adopts the federal tax treatment of contributions to health savings accounts (HSAs). Assembly Bill 4 would apply retroactively to tax year 2004.

As I have in the past, I am vetoing these HSA provisions. HSAs are inextricably linked to high deductible medical insurance and, therefore, could decrease employer-sponsored insurance coverage. Additionally, HSAs are only viable for healthy persons with higher incomes. As healthy individuals with higher incomes opt out of traditional insurance pools, the risk profiles of these existing health plans will worsen, which in turn will cause insurance companies to raise rates on remaining members likely to be those without any other options.

Finally, **Assembly Bill 4** is an expensive bill without a clear and demonstrated benefit for the residents of this state as a whole. The bill would cost taxpayers \$50 million, but wouldn’t help a single Wisconsin family get health insurance. It’s a windfall for wealthy and healthy individuals, but lower and middle-income families would still be struggling to find affordable insurance.

In order for me to consider signing these provisions into law, I believe HSAs must be taken up in the context of a comprehensive health care package that would effectively and affordably address the health care needs of seniors, children, and middle-and low-income families.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 55: Immunity of private campground owners and operators

On October 27, 2005, the assembly passed Assembly Bill 55 by a vote of 60 to 36, A.J. 10/27/05, p. 550.

On April 25, 2006, the senate concurred in Assembly Bill 55 by a vote of 19 to 14, S.J. 04/25/06, p. 787.

On May 26, 2006, the Governor vetoed Assembly Bill 55, A.J. 05/26/06, p. 1154.

TEXT OF GOVERNOR’S VETO MESSAGE

May 26, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 55** in its entirety. The bill provides immunity from civil liability to private campground owners, operators, and their employees or agents for property damage, personal injury and death if the damage, injury or death is the proximate result of the act or omission of a person other than the owner, operator, employee or agent.

I strongly support Wisconsin’s tourism industry and recognize the importance of the businesses—including private campgrounds—that provide recreational opportunities in this state. **Assembly Bill 55**, however, is simply

unnecessary. Granting immunity from all civil liability, including reckless and malicious conduct, is a very serious step. I am aware of no evidence suggesting that private campgrounds are the targets of unfair lawsuits, and there is simply no justification for granting blanket immunity to this special class of businesses.

Moreover, **Assembly Bill 55** appears to immunize private campground owners whose negligent or reckless conduct contributes to an injury. That’s not fair. Wisconsin’s visitors and residents expect to stay at fun, relaxing and safe lodging facilities, whether they’re hotels, resorts or campgrounds. We shouldn’t be enacting laws that

remove existing incentives to provide the safest, most enjoyable experience for visitors. And we shouldn't be statutorily immunizing negligent and reckless conduct for a special class of businesses.

Wisconsin is a wonderful place to vacation, and we have

a responsibility to ensure that all visitors and residents have a safe and enjoyable stay.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 56: Actions against sport shooting range owners or operators, against gun or sportsman's clubs, and against manufacturers, importers, trade associations, or dealers of firearms, firearm components, or firearm ammunition

On June 14, 2005, the assembly passed Assembly Bill 56 [as amended by Assembly Amendments 1 and 2] by a vote of 63 to 32, Paired 4, A.J. 06/14/05, p. 287.

On November 9, 2005, the senate concurred in Assembly Bill 56 by a vote of 25 to 8, S.J. 11/09/05, p. 451.

On January 6, 2006, the Governor vetoed Assembly Bill 56, A.J. 01/09/06, p. 714.

TEXT OF GOVERNOR'S VETO MESSAGE

January 6, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 56** in its entirety. This bill restricts state and local governments from bringing civil actions against firearms importers, manufacturers, dealers or trade associations, as well as against gun club or sport shooting range owners or operators. **Assembly Bill 56** also grants, with certain exceptions, these same groups immunity from civil liability in any action for an injury or death caused by a firearm.

The President granted the gun industry sweeping immunity this past October when he signed the Protection of Lawful Commerce in Arms Act, Public Law No. 109-092. Under the federal law, no civil actions may be filed in federal or state court by individuals or governmental entities seeking relief for injury or death resulting from the criminal or unlawful misuse of a firearm.

Assembly Bill 56 unnecessarily extends these protections beyond the new federal law, by granting immunity irrespective of whether there is an injury resulting from a criminal or unlawful misuse of a firearm. The bill also

extends the immunity to gun club or sport shooting range owners or operators, even though Wisconsin has never seen any such lawsuits filed here. Although I honor the long tradition of hunting and shooting sports in Wisconsin and the value this tradition brings to our state, this bill is not about protecting hunters and other sportsmen and women.

Since President Bush and Congress have already given the gun industry sweeping immunity that no other industry enjoys, I can see no need for the State of Wisconsin to give the gun industry even more protection. It is unfortunate that the Legislature is spending its time protecting the gun industry instead of protecting the environment or taking meaningful steps that would actually enhance the wilderness experience for hunters and other sportsmen and women. It is just one more example of a Legislature that is out of touch with Wisconsin families.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 58: School district revenue limits and levy limits for cities, villages, towns, counties, and technical college districts

On February 17, 2005, the assembly adopted Assembly Substitute Amendment 1 [as amended by Assembly Amendments 1 and 3] to Assembly Bill 58 on a voice vote, A.J. 02/17/05, p. 82, and passed Assembly Bill 58, as amended, by a vote of 58 to 37, Paired 2, A.J. 02/17/05, p. 82.

On February 22, 2005, the senate concurred in Assembly Bill 58 by a vote of 20 to 13, S.J. 02/22/05, p. 94.

On March 11, 2005, the Governor vetoed Assembly Bill 58, A.J. 03/14/05, p. 128.

TEXT OF GOVERNOR’S VETO MESSAGE

March 11, 2005

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 58** in its entirety.

AB 58 limits the increase in property taxes that may be levied by cities, towns, villages and counties in December 2005, 2006 and 2007 to the percentage change in each locality’s equalized value due to new construction, net of any property removed or demolished. The bill further limits the increase in property taxes levied by technical college districts and for the state forestry tax to 2.6 percent for these same years. In addition, **AB 58** requires the Joint Committee on Finance, in its versions of the 2005-07 and 2007-09 budget bills, to ensure that the estimated statewide school property tax levy on the December 2005, 2006 and 2007 tax bills remain at the December 2004 amount by increasing general school aids or by reducing per pupil revenue limits or any combination of these two mechanisms.

I am vetoing **AB 58** because it is an irresponsible bill that freezes out our schools and critical local services like police and firefighters while hurting regional cooperation and development. In my Budget Address last month, I invited the Legislature to join me in protecting taxpayers and their priorities by passing a responsible property tax freeze. In order to impose a property tax freeze responsibly, the state must first meet its commitments to schools and local communities. The Legislature has ignored my offer and forced me to take out my veto pen once again.

Last session, the Legislature sent me a property tax freeze that would have meant a \$400 million cut to our schools. Once again, the threat to education is severe. In the 2005-07 biennium alone, this bill could reduce school revenues by as much as \$716 million. This risk exists because the bill freezes school property taxes without stating whether, or to what degree, increases in general school aids or decreases in per pupil revenue limits will be imposed to achieve this goal. If no additional school aid is provided, school spending could be cut by up to \$716 million during the 2005-07 biennium – causing devastating repercussions. In the first year alone, this could result in the elimination of 3,600 teachers in Wisconsin’s public schools, equal to the combined teaching force of Wisconsin’s 122 smallest school districts.

AB 58 stands in stark contrast to the responsible property tax freeze I propose in my 2005-07 budget:

1. My freeze proposal increases state aid for school tax relief by \$850 million, restores the state’s goal of funding

two-thirds of school costs and provides even more school tax relief than this bill – without hurting our public schools.

2. My proposal fully funds shared revenue – ensuring that even with a freeze, important local services like police and firefighters will be protected. This bill, in contrast, does not guarantee any funding for shared revenue.

3. My proposal protects technical colleges, institutions that are vital to economic development. Technical colleges currently abide by limits on levy increases. Imposing new limits would hurt our workers and our economy.

4. My proposal encourages regional cooperation in economic development. Rather than basing maximum municipal levies on the growth within individual localities, my proposal recognizes that municipalities provide services that benefit residents who live outside their boundaries. The state should foster regional economic cooperation rather than provide further incentives for communities to compete over economic development projects.

5. My proposal includes over \$100 million of incentives and bonuses to counties and municipalities to hold their property tax levels even lower than my freeze allows.

6. My proposal accounts for inflation, so that the freeze does not erode the quality of municipal and county services.

7. My freeze lasts for two years, just like the state budget – because we should not put a freeze on communities longer than we can guarantee the state’s funding commitment to them.

I had hoped that the Legislature would take up my challenge to find common ground and show the people of this state that they are more interested in providing property tax relief to Wisconsin citizens than scoring political points. I made it clear that I would veto any property tax freeze that failed to protect the quality of our schools and vital services. This veto is not the end of the freeze, but rather a first step toward the responsible freeze that taxpayers want. I remain confident that something meaningful can be accomplished. As the budget process moves ahead, I look forward to working with the Legislature to pass a real and responsible freeze.

Respectfully submitted,

Jim Doyle

Governor



2005 Assembly Bill 63: Voter identification requirements

On February 24, 2005, the assembly passed Assembly Bill 63 [as amended by Assembly Amendments 1, 3, 6, and 7] by a vote of 64 to 33, A.J. 02/24/05, p. 99.

On April 13, 2005, the senate concurred in Assembly Bill 63 by a vote of 21 to 12, S.J. 04/13/05, p. 174.

On April 29, 2005, the Governor vetoed Assembly Bill 63, A.J. 05/02/05, p. 211.

TEXT OF GOVERNOR'S VETO MESSAGE

April 29, 2005

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 63** in its entirety. This bill would require voters and persons registering at the polls on Election Day to show photo identification before being allowed to vote or register on Election Day. This bill would also repeal the current law that allows individuals to register by having their residence corroborated by another elector.

I am vetoing **AB 63** because it places unnecessary restrictions on voting and is inconsistent with Wisconsin's proud tradition of ensuring maximum access to the constitutionally protected right to vote. In the 2004 election, Wisconsin ranked third in the nation in voter turnout, with about 75 percent of eligible voters showing up to exercise their right to vote. **AB 63** would make Wisconsin's election laws the strictest in the country and put us on equal footing with South Carolina, a state that had only a 50 percent turnout — one of the worst voter turnouts in the nation. When it comes to voting rights and voter turnout, we shouldn't trade our laws for South Carolina's. While it is true that Wisconsin's election system is in need of reform, **AB 63** is not the answer.

What is particularly troubling about **AB 63** is that it in no way addresses the problems that it is supposedly intended to remedy. **AB 63** does not prevent felons from voting. It does not prevent individuals from voting twice or ensure that the address appearing on a photo ID card is in fact accurate and up to date. **AB 63** does not make the lines at polling places any shorter or make them move any faster. And it does not make the job of poll workers any easier. In fact, **AB 63** creates a host of additional administrative burdens for poll workers as they would be forced to interpret the accuracy and authenticity of each photo ID card and also determine whether individuals appearing without the required photo ID fall into one of the exemptions or whether their ballots should be marked and treated as provisional. **AB 63** creates more problems than it solves.

In addition, **AB 63** would disenfranchise tens of thousands of otherwise eligible, elderly voters who do not have a driver's license or valid Wisconsin photo ID card. As I have noted before, according to the Department of Transportation, there are nearly 100,000 elderly voters in Wisconsin who would be disenfranchised by this bill. I refuse to sign into law a bill that would make it harder for Wisconsin's senior citizens to exercise their right to vote.

What the 2004 election revealed is that to properly accommodate increasing voter turnout Wisconsin's election system needs improvement. We ought to be focused on making it easier for legitimate voters to vote, and ensuring that every valid vote is counted. A photo ID requirement won't achieve either objective, but it will disenfranchise tens of thousands of Wisconsin seniors who don't have drivers' licenses.

Three weeks ago, I proposed a comprehensive package of election reform that addresses the real problems — the understaffed and under-trained polling workforce, the lack of statewide uniformity in election administration, and the burdens associated with our absentee voting system. The measures that I proposed will help restore integrity to our election system and give clerks and poll workers the tools and resources they need to properly administer elections in Wisconsin. Most importantly, my proposed reforms, unlike **AB 63**, do not undercut our proud history of ensuring maximum access to the ballot box in Wisconsin.

The protection of our citizens' fundamental rights is of utmost importance. Any legislative attempt to restrict those rights must be carefully scrutinized. Because **AB 63** needlessly strips away full and unfettered access to voting for some of Wisconsin's most vulnerable citizens — including nearly 100,000 senior citizens — I cannot sign it into law.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 84: The number of school days required each school term

On June 16, 2005, the assembly passed Assembly Bill 84 by a vote of 64 to 32, A.J. 06/16/05, p. 298.

On February 23, 2006, the senate adopted Senate Amendment 1 to Assembly Bill 84 on a voice vote, S.J. 02/23/06, p. 627, and concurred in Assembly Bill 84, as amended, by a vote of 19 to 14, S.J. 02/23/06, p. 627.

On February 28, 2006, the assembly concurred in Senate Amendment 1 to Assembly Bill 84 on a voice vote, A.J. 02/28/06, p. 869.

On April 18, 2006, the Governor vetoed Assembly Bill 84, A.J. 04/19/06, p. 1019.

TEXT OF GOVERNOR’S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 84**. This bill eliminates the requirement that school be held for at least 180 days each year and the requirement that school districts include in their annual report the number of school days taught by teachers legally qualified to teach. **Assembly Bill 84** retains the minimum required number of hours of direct pupil instruction in current law, but specifies that if a school has scheduled a greater number of hours for direct pupil instruction in the 2005-2006 school year than current law requires, the number of scheduled hours in the 2005-2006 school year becomes the minimum requirement for that school. Finally, **Assembly Bill 84** clarifies that the annual report of the school district include the number of hours of direct pupil instruction provided “in each school” by teachers legally qualified to teach.

I am vetoing **Assembly Bill 84** because I object to creating the opportunity for school districts to reduce the number of days students are actively involved in learning. Lengthening the school day by as little as ten minutes – equivalent to less than two minutes per class period –

would allow school districts to take five full days off the school calendar. I do not believe the extra ten minutes a day will lead to the same amount of learning as an additional week of school. In addition, shorter school years may be impractical for working families, who would face financial and logistical challenges with respect to child care and after-school supervision. Finally, by eliminating the requirement that schools report the number of school days taught in each year, that information would not be readily available to parents and citizens.

Our citizens are competing not only against students from Minnesota and New York, but India and Indonesia and Japan. Shortening the school year would be a real disservice not only to our kids, but to our country. We need to find ways to make our students and our schools more competitive in the global marketplace. Shortening the school year will do just the opposite.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 152: Collection of fines and forfeitures by counties

On November 9, 2005, the assembly passed Assembly Bill 152 [as amended by Assembly Amendment 2] by a vote of 59 to 36, Paired 2, A.J. 11/09/05, p. 598.

On March 9, 2006, the senate concurred in Assembly Bill 152 by a vote of 19 to 14, S.J. 03/09/06, p. 729.

On April 18, 2006, the Governor vetoed Assembly Bill 152, A.J. 04/19/06, p. 1019.

TEXT OF GOVERNOR’S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 152**. Under current law, counties retain 10 percent of fines and forfeitures for administrative expenses. This bill would increase to 20 or 30 percent the share retained by counties for collec-

tions of unpaid fines and forfeitures within 120 days and over 120 days, respectively. This change, while intended as an incentive to increase collections of unpaid fines and forfeitures, would appear to do the opposite. By waiting 120 days, counties could increase administration fees by 200 percent.

Fines and forfeitures are deposited in the Common School Fund, interest on which is used to support public school libraries. The Common School Fund is the sole source of state funding for Wisconsin's school libraries. This significant increase in county administration fees will come at the expense of the Common School Fund. I cannot support the reduction of this program, which is

critical to Wisconsin school children, with no guarantee that the funds retained by the counties would actually be used to increase collections efforts.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 207: Refusal to participate in sterilization, abortion, assisted suicide, and other procedures on moral or religious grounds

On June 14, 2005, the assembly passed Assembly Bill 207 [as amended by Assembly Amendment 1] by a vote of 60 to 33, Paired 6, A.J. 06/14/05, p. 286.

On September 27, 2005, the senate concurred in Assembly Bill 207 by a vote of 21 to 12, S.J. 09/27/05, p. 371.

On October 14, 2005, the Governor vetoed Assembly Bill 207, A.J. 10/17/05, p. 526.

TEXT OF GOVERNOR'S VETO MESSAGE

October 14, 2005

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 207**. The bill expands the circumstances under which a health care provider may refuse to provide certain medical procedures based on moral or religious convictions. Current law already allows providers to refuse to perform sterilizations and abortions. The bill would also allow such an objection as a basis for not participating in procedures involving human embryos and fetal tissue or organs.

The bill is nearly identical to Assembly Bill 67. I vetoed that bill in 2004 for the same reasons. This bill lets your doctor put his or her political beliefs ahead of your medical best interests. That is simply unconscionable. Medical decisions should be made by the patient and the doctor based on what's best for the patient, not on the doctor's political views.

This bill doesn't even require health care providers to give you a referral to someone else if they object to a par-

ticular treatment. In fact, the doctor wouldn't even have to tell you about a treatment option that might exist. Even if your life was threatened, this bill would allow a doctor to withhold lifesaving medical care.

The bill could also deny medical access to people in rural areas, who may have a very limited pool of doctors to choose from. It is hard enough for many people to get the health care they need, and this bill would make it even tougher.

Because it puts a doctor's political views ahead of the best interests of patients, this bill ought to be called the "unconscionable clause."

Respectfully submitted,

James Doyle

Governor

2005 Assembly Bill 209: Designating and marking a portion of USH 14 as the Ronald Reagan Highway

On April 12, 2005, the assembly passed Assembly Bill 209 by a vote of 69 to 29, A.J. 04/12/05, p. 183.

On May 5, 2005, the senate concurred in Assembly Bill 209 by a vote of 21 to 12, S.J. 05/05/05, p. 201.

On June 1, 2005, the Governor vetoed Assembly Bill 209, A.J. 06/02/05, p. 264.

TEXT OF GOVERNOR’S VETO MESSAGE

June 1, 2005

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 209**. This bill requires the Department of Transportation to designate and mark the portion of U.S. Highway 14 from Madison to the Wisconsin-Illinois border as the Ronald Reagan Highway.

While recognizing that state highway and bridge designations have been used to pay tribute to and memorialize certain individuals, I vetoed this legislation last session based on state precedent. This honor has only been

bestowed on persons who have been residents of or are natives of Wisconsin. Previous legislatures, whether Republican or Democratic, did not go beyond this precedent at the risk of having highway designations become political. I agree with this precedent and **Assembly Bill 209** is in violation.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 299: Effect of a county shoreland zoning ordinance in territory that is annexed by a city or village or in territory of a town that is incorporated as a city or village

On June 16, 2005, the assembly passed Assembly Bill 299 [as amended by Assembly Amendment 1] on a voice vote, A.J. 06/16/05, p. 300.

On February 21, 2006, the senate concurred in Assembly Bill 299 by a vote of 19 to 12, S.J. 02/21/06, p. 614.

On April 19, 2006, the Governor vetoed Assembly Bill 299, A.J. 04/19/06, p. 1022.

TEXT OF GOVERNOR’S VETO MESSAGE

April 19, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 299**. This bill eliminates the requirement that a county shoreland zoning ordinance is retained on newly incorporated territory.

We can all agree that Wisconsin’s many lakes and rivers are vital to our economic base and our quality of life. While I do not dispute that we need to continue to grow and develop, I believe we can do so in a way that respects our natural resources and our strong environmental legacy. It is clear that in Wisconsin economic development and a clean environment are not mutually exclusive. Wisconsin is leading the Midwest in job growth all the while maintaining our strong environmental protections.

An amendment offered on the Assembly floor would have achieved many of the bill’s goals while maintaining a responsible level of stewardship. The counter proposal would have simply required that the annexing city or vil-

lage have in effect a zoning ordinance, for the newly annexed area. If the city or village does not have an existing ordinance, they would have the option of enacting zoning that ensures that protections are in place and are at least as protective as the standards laid out in the Department of Natural Resources Rule, NR 115.

This would have ensured that basic minimum protections were put in place regardless of who has jurisdiction – the county, the city or village. This does not seem to be an unreasonable standard to meet but was unfortunately rejected by the Legislature.

Since the late 1960s, the shoreland management program has helped to ensure that the best interests of the state and its residents are put first when making land use decisions. Weakening it is not the right thing to do.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 327: Unincorporated cooperative associations

On February 28, 2006, the assembly passed Assembly Bill 327 [as amended by Assembly Amendments 1, 2, and 6] by a vote of 71 to 22, Paired 4, A.J. 02/28/06, p. 865.

On March 9, 2006, the senate concurred in Assembly Bill 327 by a vote of 28 to 4, S.J. 03/09/06, p. 730.

On April 18, 2006, the Governor vetoed Assembly Bill 327, A.J. 04/19/06, p. 1020.

TEXT OF GOVERNOR'S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 327**. This bill creates a new form of corporate organization, the unincorporated cooperative association.

I agree with the intent of the legislation – to help cooperatives raise needed capital through non-patron investment partners. However, the bill creates a tax consequence that was unintended by the authors and supporters of the bill. Although unintentional, I cannot sign a bill with consequences such as these.

My administration has already begun to work with the Legislature and supporters of **Assembly Bill 327** to pass a version of this bill that achieves the goals of this proposal, without the creation of this tax consequence. I am committed to signing a new version of this bill before the end of the legislative session.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 461: Requiring legislative approval to locate a gaming establishment on certain lands taken into trust for the benefit of Indian tribes

On September 27, 2005, the assembly passed Assembly Bill 461 by a vote of 59 to 37, A.J. 09/27/05, p. 507.

On May 3, 2006, the senate concurred in Assembly Bill 461 by a vote of 21 to 10, S.J. 05/03/06, p. 826.

On May 26, 2006, the Governor vetoed Assembly Bill 461, A.J. 05/26/06, p. 1154.

TEXT OF GOVERNOR'S VETO MESSAGE

May 26, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 461** in its entirety. Under federal law, the Secretary of Interior must first obtain the Governor's concurrence before allowing gaming on land not owned by a tribe prior to when the Indian Gaming Regulatory Act went into effect. This bill provides that the Governor may not concur with the Secretary of the Interior, unless the state legislature first concurs by joint resolution.

Assembly Bill 461 is an attempt to circumvent federal law regarding the approval of off-reservation gaming. Federal law is clear: the concurrence of off-reservation gaming has been exclusively provided to the Governor, and to the Governor alone. Congress recognized the inherent practical difficulties in involving multiple parties in the concurrence process and made a reasoned decision in selecting governors as the state's representative. Moreover, Congress clearly understood the difference

between granting authority to a state versus granting authority specifically to a Governor. In fact, Congress granted the power to negotiate gaming compacts to the state, but named the Governor, specifically, with respect to off-reservation gaming concurrence. This bill negates that determination made by Congress.

Lastly, the federal approval process is not without significant procedural and substantive safeguards. The Indian Gaming Regulatory Act provides for a rigorous and lengthy process that includes extensive study and an opportunity for significant community involvement. If the federal government were to ever approve an off-reservation casino and a decision came before me—which is by no means certain—I would of course take the views of the community into account.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 499: Human cloning

On June 23, 2005, the assembly passed Assembly Bill 499 [as amended by Assembly Amendments 2, 3, and 4] by a vote of 59 to 38, Paired 2, A.J. 06/23/05, p. 335.

On September 28, 2005, the senate concurred in Assembly Bill 499 by a vote of 21 to 12, S.J. 09/28/05, p. 378.

On November 3, 2005, the Governor vetoed Assembly Bill 499, A.J. 11/03/05, p. 576.

TEXT OF GOVERNOR’S VETO MESSAGE

November 3, 2005

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 499**. This bill would criminalize some of the most promising scientific techniques used by stem cell researchers, not only potentially delaying cures to some of humanity’s oldest and deadliest diseases but also costing Wisconsin jobs in the future.

While we can all agree that human cloning is not acceptable, it has already been prohibited by the federal Food and Drug Administration. The real purpose of this bill is to restrict stem cell research, which holds enormous potential for our state as well as the promise of curing juvenile diabetes, spinal cord injuries, and Parkinson’s disease. Allowing our scientists to search for cures to diseases isn’t about being liberal or conservative. It’s about being compassionate. And respect for human life means you don’t turn your back on cures that can save lives.

It is a sad irony that a bill criminalizing promising scientific research comes to my desk one month after Wisconsin was designated as the nation’s Stem Cell Bank by the National Institutes of Health. This bill sends the wrong

signal to the nation about Wisconsin. Wisconsin should continue to recruit and welcome the nation’s best scientists, not treat them like criminals.

Finally, this bill would undo all of our efforts to expand biomedical and medical technology businesses. Wisconsin biotech firms already employ approximately 22,000 people and contribute \$6.9 billion annually to the state economy.

It is unfortunate that the United States Congress has so far turned its back on stem cell research, refusing to support important legislation to accelerate stem cell research. We should not follow their example in Wisconsin.

I hope that this veto will send a clear message to the Legislature, the scientific community, and to families who are hoping and praying for cures: Wisconsin will remain at the forefront of stem cell research.

Respectfully submitted,

James Doyle

Governor

2005 Assembly Bill 509: Liability of cities, villages, towns, and counties for damages caused by an insufficiency or want of repair of a highway

On October 27, 2005, the assembly passed Assembly Bill 509 by a vote of 61 to 36, A.J. 10/27/05, p. 550.

On February 23, 2006, the senate concurred in Assembly Bill 509, S.J. 02/23/06, p. 627.

On April 18, 2006, the Governor vetoed Assembly Bill 509, A.J. 04/19/06, p. 1020.

TEXT OF GOVERNOR’S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 509**. This bill repeals the specific exception to the immunity provision related to litigation involving failure of local governments to repair highways.

While I know that our local governments work hard to maintain safe and high quality roads, I believe that in the few instances where individuals incur damages due to a lack of timely road repairs, citizens should not be prevented from receiving reimbursement from local governments. Additionally, the existing \$50,000 statutory cap provides a reasonable limit on these damages if they

occur. I would note that Wisconsin appellate courts have only applied this statute and its predecessor in 175 cases since 1884.

All levels of government are facing budget challenges and tough funding questions, but Wisconsin drivers should be assured that roads will be kept in good repair and that local governments will be responsible for damages when they fail to make repairs on a timely basis.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 597: Remedies in certain actions concerning building code or zoning ordinance violations

On December 6, 2005, the assembly passed Assembly Bill 597 by a vote of 60 to 35, Paired 2, A.J. 12/06/05, p. 652.

On March 2, 2006, the senate concurred in Assembly Bill 597 by a vote of 23 to 9, S.J. 03/02/06, p. 672.

On March 30, 2006, the Governor vetoed Assembly Bill 597, A.J. 03/31/06, p. 997.

TEXT OF GOVERNOR'S VETO MESSAGE

March 30, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 597** in its entirety. Under this bill, if a court orders the removal or modification of a structure built in violation of a building code or zoning ordinance but in accordance with an issued building permit, the issuing local government must pay attorney fees, labor and material expenses, and costs of razing, moving or modifying the structure.

AB 597 would hamper economic development at the municipal level by creating disincentives for local governments to grant building permits. Local governments

would be faced with increased liability insurance premiums and would respond by curbing the issuance of permits. Under current law, local governments do voluntarily take action to remedy these types of situations when the circumstances permit. With continued development at the local level vital to growing our state's economy, I cannot support a bill that would impede moving Wisconsin forward.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 730: Independent charter schools established by University of Wisconsin institutions

On November 10, 2005, the assembly passed Assembly Bill 730 [as amended by Assembly Amendment 3] by a vote of 56 to 36, Paired 6, A.J. 11/10/05, p. 612.

On January 26, 2006, the senate concurred in Assembly Bill 730 by a vote of 20 to 13, S.J. 01/26/06, p. 560.

On April 18, 2006, the Governor vetoed Assembly Bill 730, A.J. 04/19/06, p. 1020.

TEXT OF GOVERNOR'S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 730**. This bill modifies current law by allowing any baccalaureate or graduate degree granting institution within the University of Wisconsin (UW) System to operate or contract for the operation of an independent charter school with the approval of the Board of Regents. Specifically, the bill permits the chancellors of any UW institution besides UW-Milwaukee and UW-Parkside (to which current law would still apply) to establish or contract for the establishment of up to five independent charter schools each.

The bill requires the Department of Public Instruction (DPI) to approve the first five requests from UW institutions (other than UW-Milwaukee and UW-Parkside) and to maintain a waiting list of subsequent requests. While the bill effectively limits the number of UW institutions that may establish new independent charter schools to five, each institution is permitted to include up to five

new charter schools in a single request. Thus, the bill potentially allows up to 25 new independent charter schools.

Assembly Bill 730 requires the chancellor of each approved UW institution to submit to the state superintendent a charter school plan with specific details. In the event that the chancellor from an approved UW institution does not submit this plan by the specified date, that institution is prohibited from establishing or contracting for the establishment of a charter school. Finally, the bill provides that any pupil who resides in the state may attend a new charter school established by a UW institution under the bill.

I am vetoing **Assembly Bill 730** because I object to the lack of accountability measures for the new charter schools that would be established under the bill. While charter schools can be a good option for many families, this bill doesn't ensure that the new charter schools would be high-quality. The bill requires DPI to automatically

approve the first five requests that it receives from UW institutions, regardless of their merit. Further, each request from a UW institution may include plans for up to five charter schools, some of which may be excellent and some of which may be inadequate. Unfortunately, the bill includes no mechanism to allow DPI to make this determination. Nor does the bill provide any requirements that UW institutions have the capacity to serve as effective and knowledgeable charter school authorizers.

While **Assembly Bill 730** may benefit some of Wisconsin’s students by providing additional opportunities to learn and creative and innovative educational settings, the bill fails to provide important accountability measures.

Respectfully submitted,
Jim Doyle
Governor

2005 Assembly Bill 764: Awards to persons suffering damages as the result of medical malpractice and evidence of compensation for those damages

On October 25, 2005, the assembly adopted Assembly Substitute Amendment 1 to Assembly Bill 764 on a voice vote, A.J. 10/25/05, p. 539, and passed Assembly Bill 764, as amended, by a vote of 60 to 34, Paired 4, A.J. 10/25/05, p. 542.

On November 8, 2005, the senate concurred in Assembly Bill 764 by a vote of 19 to 14, S.J. 11/08/05, p. 442.

On December 2, 2005, the Governor vetoed Assembly Bill 764, A.J. 12/05/05, p. 642.

TEXT OF GOVERNOR’S VETO MESSAGE

December 2, 2005

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 764** in its entirety. This bill would require courts in medical malpractice cases to reduce the amount of damages awarded to an injured claimant, by the amount an injured claimant receives from other “collateral sources” in compensation for injuries sustained as a result of medical malpractice.

I am vetoing this bill because it unfairly allows those who commit medical malpractice to profit from health benefit payments that injured patients may receive from outside sources. Laws governing medical malpractice are supposed to deter wrongful conduct and reduce the occurrence of malpractice. **Assembly Bill 764** has the opposite effect: it relieves those legally responsible for medical malpractice from their obligations to pay for malpractice damages, in cases where injured patients had the fore-

sight, or good fortune, to obtain health care benefits. That isn’t fair.

Furthermore, **Assembly Bill 764** is unnecessary. Injured claimants very rarely benefit from “double payments,” and most third-party payers, such as private and public health insurers, require claimants to repay any benefits they receive from their insurer when they also receive damages from a defendant in a medical malpractice action.

The Legislature should be focused on ways to protect victims from wrongful and harmful conduct, rather than relieving the legal obligations of those who commit medical malpractice. I therefore must veto this bill.

Respectfully submitted,
Jim Doyle
Governor

2005 Assembly Bill 766: Recovery of noneconomic damages in medical malpractice cases

On October 25, 2005, the assembly passed Assembly Bill 766 by a vote of 64 to 30, Paired 4, A.J. 10/25/05, p. 541.

On November 8, 2005, the senate concurred in Assembly Bill 766 by a vote of 19 to 14, S.J. 11/08/05, p. 442.

On December 2, 2005, the Governor vetoed Assembly Bill 766, A.J. 12/05/05, p. 642.

TEXT OF GOVERNOR'S VETO MESSAGE

December 2, 2005

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 766** in its entirety. This bill is the Legislature's response to *Ferdon v. Wisconsin Patients Compensation Fund*, the recent Wisconsin Supreme Court decision that struck down as unconstitutional Wisconsin's preexisting cap on noneconomic damages in medical malpractice cases. This bill creates new caps on noneconomic damages for persons injured as a result of medical malpractice: \$450,000 for persons age eighteen and older, and \$550,000 for persons under age eighteen.

I am vetoing **Assembly Bill 766** because it is very unlikely that the Wisconsin Supreme Court would uphold it. While I've always said that caps could be structured to address the concerns of the Wisconsin Supreme Court, **Assembly Bill 766** would almost certainly be struck down and, as a result, does not represent a real solution.

The bill's primary failing is that it ignores one of the Court's major concerns - that caps "cannot be set unreasonably low." The Court has already struck down a \$445,775 cap. Passing what is virtually the same cap - \$450,000 - and including a nominal increase for persons under age eighteen does not represent a serious effort to address the concerns of the Wisconsin Supreme Court.

Moreover, the amount of the caps in **Assembly Bill 766** would likely be considered arbitrary and lacking a rational basis by the Wisconsin Supreme Court. Before this bill was drafted, a legislative task force was created and charged with studying the issue of medical malpractice

caps. The task force heard testimony and gathered evidence, but in making its final recommendations, did not select an actual cap amount or an appropriate range. The task force left the cap amount blank, for legislators to later fill in. It seems terribly unlikely that the Wisconsin Supreme Court would find that the caps in **Assembly Bill 766** have a rational basis when the task force process that ultimately led to their passage left the most crucial element of the caps-the amounts-blank.

Distinguished constitutional law experts who have studied this issue agree. My office recently sought the opinion of University of Wisconsin Law School faculty members regarding the constitutionality of **Assembly Bill 766**. Their conclusions were unequivocal. In their letter responding to my inquiry, they state that "Assembly Bill 766 at most half-heartedly attempts to address only one of the several constitutional problems of its predecessor, and clearly fails in that attempt." The letter concludes: "there is no rational basis for [Assembly Bill 766]."

Legal experts agree that a Court which found a \$445,775 cap unconstitutional would most certainly strike down a cap not even \$5000 higher. Approving a law that would be quickly overturned doesn't do anyone any good. Instead, I encourage all the interested parties on all sides of this issue to get together and figure out a responsible and lasting solution that has a real chance of being upheld by the Wisconsin Supreme Court.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 850: The regulation of certain structures in navigable waters

On December 15, 2005, the assembly adopted Assembly Substitute Amendment 1 [as amended by Assembly Amendment 1] to Assembly Bill 850 on a voice vote, A.J. 12/15/05, p. 694, and passed Assembly Bill 850, as amended, by a vote of 58 to 34, Paired 4, A.J. 12/15/05, p. 694.

On March 9, 2006, the senate adopted Senate Substitute Amendment 1 [as amended by Senate Amendment 1] to Assembly Bill 850 on a voice vote, S.J. 03/09/06, p. 740, and concurred in Assembly Bill 850, as amended, by a vote of 30 to 3, S.J. 03/09/06, p. 740.

On April 25, 2006, the assembly adopted Assembly Amendment 1 to Senate Substitute Amendment 1 to Assembly Bill 850 by a vote of 58 to 34, A.J. 04/25/06, p. 1047, and adopted Assembly Amendment 2 to Senate Substitute Amendment 1 to Assembly Bill 850 by a vote of 58 to 35, A.J. 04/25/06, p. 1047, and concurred in Senate Substitute Amendment 1 to Assembly Bill 850, as amended, by a vote of 60 to 33, A.J. 04/25/06, p. 1047.

On April 27, 2006, the senate concurred in Assembly Amendment 1 to Senate Substitute Amendment 1 to Assembly Bill 850 by a vote of 17 to 15, S.J. 04/27/06, p. 809.

On April 27, 2006, the senate concurred in Assembly Amendment 2 to Senate Substitute Amendment 1 to Assembly Bill 850 by a vote of 17 to 15, S.J. 04/27/06, p. 809.

On May 26, 2006, the Governor vetoed Assembly Bill 850, A.J. 05/26/06, p. 1156.

TEXT OF GOVERNOR’S VETO MESSAGE

May 26, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 850** in its entirety. The bill modifies the requirements that a pier or wharf may meet to be exempt from current law.

This bill derails a bipartisan agreement reached last month between the DNR, legislators, and environmental and business groups. The compromise outlined mutually acceptable standards for permissible piers and wharves that reasonably balance the rights of waterfront property owners and public access to and enjoyment of the Wisconsin waters. The compromise legislation was based on the combined input of numerous constituents and constituent groups ranging from the Wisconsin Builders Association, Wisconsin Realtors Association, Wisconsin Association of Lakes and the Wisconsin Wildlife Federation, and incorporated the best available science.

Like a lot of folks in Wisconsin, I have fond memories of going up north for the summer with my parents and enjoying the family pier, and I did the same with my chil-

dren when they were young. Since I’ve been Governor, not a single pier has been removed by the DNR, and I expect that trend will continue. Even though the Legislature backed away from the agreement they negotiated, I have issued an Executive Order that requires DNR to hold up its end of the bargain. This will give property owners the certainty they need that they can enjoy the summer without any fear that DNR will take their pier away.

In short, I want to make clear that the family pier that has long been a source of enjoyment for Wisconsin families will be protected and enjoyed all summer long. While we have to continue to guard against the worst cases of abuse, like someone who might block a narrow river with an unnecessarily long pier, family piers are under no threat this summer.

Respectfully submitted,

Jim Doyle
Governor

2005 Assembly Bill 871: Postdated checks and checks given for past consideration

On January 31, 2006, the assembly adopted Assembly Substitute Amendment 1 to Assembly Bill 871 on a voice vote, A.J. 01/31/06, p. 774, and passed Assembly Bill 871, as amended, on a voice vote, A.J. 01/31/06, p. 774.

On March 9, 2006, the senate concurred in Assembly Bill 871 by a vote of 20 to 13, S.J. 03/09/06, p. 734.

On April 18, 2006, the Governor vetoed Assembly Bill 871, A.J. 04/19/06, p. 1021.

TEXT OF GOVERNOR’S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 871**. Under current law, it is generally considered a criminal act to issue a check, while never intending to have the check paid. This bill eliminates the general exception to this sanction for post-dated checks and checks given for past consideration. However, the bill maintains an exception for a post-dated check given to a payday loan service who agrees, for a fee, to hold a check for a period of time.

A transaction paid for with a post-dated check is fundamentally different than one paid for with a check dated that day. Post-dated check payments are more akin to loan or credit transactions. Businesses understand that

distinction and accept post-dated checks knowing full well that there may be additional risks involved. We shouldn’t be restricting the ability of these merchants and others to use post-dated checks as a means of doing business.

Further, I am also troubled that the bill would mean that payday lenders would be the only businesses that could accept post-dated checks, which would leave people with no other option.

Respectfully submitted,

Jim Doyle
Governor

2005 Assembly Bill 969: Applying cash deposited for bail to restitution payments or to recompense ordered in criminal cases

On February 23, 2006, the assembly passed Assembly Bill 969 [as amended by Assembly Amendment 1] by a vote of 56 to 40, Paired 2, A.J. 02/23/06, p. 840.

On March 9, 2006, the senate concurred in Assembly Bill 969 by a vote of 23 to 10, S.J. 03/09/06, p. 735.

On April 18, 2006, the Governor vetoed Assembly Bill 969, A.J. 04/19/06, p. 1021.

TEXT OF GOVERNOR'S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 969**. This bill provides that any cash deposit used as bond must first be applied to pay restitution to the victim of the crime if the defendant is convicted. Additionally, under **Assembly Bill 969**, a new form of payment to the victim is created, called recompense. This payment is initiated when a defendant does not meet his or her bond conditions and forfeits his or her cash deposit. A judge may order the defendant to pay a recompense amount to the victim of the crime for which bond was established, using the forfeited cash. The recompense amount is ordered before the defendant is convicted.

While I agree with the goal of the restitution provisions of this bill, which allow cash deposits for bond to be used

to get additional moneys to the victims of crimes, I am vetoing **Assembly Bill 969** based on the impact of the recompense portions of the bill. One of the bill's authors has actually requested that I do so because of an unintended drafting error which results in a shift of resources in cases where recompense and restitution are ordered. If the restitution amount is less than or equal to the recompense amount already ordered, the restitution is paid entirely to the state general fund. As a result, counties may lose significant amounts of money, even as they work hard to support the circuit court system and provide victim services.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 1021: Inadmissibility of a statement of apology or condolence by a health care provider

On March 2, 2006, the assembly passed Assembly Bill 1021 by a vote of 63 to 33, Paired 2, A.J. 03/02/06, p. 889.

On April 27, 2006, the senate concurred in Assembly Bill 1021 by a vote of 18 to 14, S.J. 04/27/06, p. 805.

On May 26, 2006, the Governor vetoed Assembly Bill 1021, A.J. 05/26/06, p. 1155.

TEXT OF GOVERNOR'S VETO MESSAGE

May 26, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 1021** in its entirety. The bill makes any statement, gesture or conduct that expresses apology, benevolence, compassion, condolence, fault, liability, responsibility or sympathy made by a health care provider to a patient or the patient's relative or representative inadmissible as evidence of liability.

I am vetoing **Assembly Bill 1021** because it is entirely too broad. Encouraging health care providers to openly communicate with their patients, and express apologies and condolences, may well be a legitimate public policy objective, but this bill goes far beyond that. **Assembly**

Bill 1021 would make inadmissible statements and conduct that express fault or liability. For example, if a doctor were to admit to a patient that he or she has committed malpractice, those statements would not be admissible under this bill. Further, **Assembly Bill 1021** also applies to "conduct" that expresses fault—conduct that could include the act of malpractice itself. This bill goes far beyond protecting statements of apology or condolence, and I cannot sign it into law.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 1060: Licensure of teachers in virtual charter schools

On March 7, 2006, the assembly adopted Assembly Substitute Amendment 1 to Assembly Bill 1060 on a voice vote, A.J. 03/07/06, p. 927, and passed Assembly Bill 1060, as amended, by a vote of 56 to 38, Paired 2, A.J. 03/07/06, p. 928.

On March 9, 2006, the senate concurred in Assembly Bill 1060 by a vote of 19 to 14, S.J. 03/09/06, p. 736.

On April 18, 2006, the Governor vetoed Assembly Bill 1060, A.J. 04/19/06, p. 1021.

TEXT OF GOVERNOR’S VETO MESSAGE

April 18, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 1060**. This bill defines the term “virtual charter school” as a charter school in which instruction is provided primarily by means of the Internet, and the pupils enrolled in, and instructional staff employed by, the charter school are geographically remote from each other. Current law does not define the term virtual charter school, but also does not prohibit virtual charter schools.

Under current law, any person seeking to teach in a public school (including a charter school) must first procure a license or permit from the Department of Public Instruction (DPI). **Assembly Bill 1060** defines “teaching” for the purpose of virtual charter schools to mean assigning grades or credits to pupils.

Current law requires that all “instructional staff” in independent charter schools (City of Milwaukee, Milwaukee Area Technical College, University of Wisconsin-Milwaukee and University of Wisconsin-Parkside) hold a license or permit to teach issued by DPI. Current law also requires each school board to ensure that all “instructional staff” of charter schools that are instrumentalities of the school district hold a license or permit to teach issued by DPI, which has promulgated administrative rules defining “instructional staff” for this purpose. **Assembly Bill 1060** specifies that for virtual charter schools, regardless of the chartering agency, “instructional staff” means assigning grades or credits to pupils.

Current law allows regular public schools to charge tuition to non-state residents who attend these schools,

but prohibits charter schools from charging tuition to non-resident students. **Assembly Bill 1060** expands the authority to charge tuition to non-state residents attending any charter school, including a virtual charter school.

I am vetoing **Assembly Bill 1060** because I object to allowing a lower standard for teachers and instructional staff in virtual charter schools than what the law requires for teachers and instructional staff in our public schools, including non-virtual charter schools. The effect of modifying the definition of “teaching” and “instructional staff” under this bill is that for virtual charter schools, only those persons who have responsibility for assigning grades or credits to pupils would be required to obtain a teaching license or permit from DPI. Actual pupil instruction could be delivered by persons without a state-issued license or permit.

Education is my top priority as Governor, and I strongly believe we need higher standards in our schools. Unfortunately, this bill does just the opposite, lowering the bar on the people entrusted to educate our kids. When it comes to education, I’m a pretty basic guy, and I simply believe that teaching should be done by professional, certified teachers. We shouldn’t have a lower standard for students in virtual schools than we have for students in regular schools.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 1071: The time limit for a person under the age of 18 to bring action against a health care provider

On March 2, 2006, the assembly passed Assembly Bill 1071 by a vote of 59 to 37, Paired 2, A.J. 03/02/06, p. 892.

On March 9, 2006, the senate concurred in Assembly Bill 1071 by a vote of 18 to 14, S.J. 03/09/06, p. 736.

On April 14, 2006, the Governor vetoed Assembly Bill 1071, A.J. 04/18/06, p. 1016.

TEXT OF GOVERNOR'S VETO MESSAGE

April 14, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 1071**. This bill would restrict the time allowed for medical malpractice claims to be brought against health care providers in cases where the victim is under the age of 18 and is disabled by reason of insanity, developmental disability or imprisonment. Specifically, this bill would require disabled children to file actions against health care providers under the same time constraints that apply to non-disabled children: (a) within three years of the date of injury, (b) one year from the date the injury was discovered, but not more than five years from the date of injury, or (c) by the time the child reaches the age of 10, whichever is latest.

I am vetoing **Assembly Bill 1071** because it fails to recognize the added difficulty associated with detecting malpractice injuries in disabled children. Parents of disabled children shouldn't be forced to prematurely initiate litigation, by the time a child reaches the age of 10, for example, where it isn't yet clear to what extent that child's disability may be developing. While there may be a reasonable statute of limitations that should apply to disabled minors, this bill ignores the complexity inherent in detecting medical malpractice injuries in disabled children. I therefore must veto this bill.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 1072: Awards to persons suffering damages as the result of medical malpractice and evidence of compensation for those damages

On March 2, 2006, the assembly adopted Assembly Substitute Amendment 1 [as amended by Assembly Amendment 1] to Assembly Bill 1072 on a voice vote, A.J. 03/02/06, p. 893, and passed Assembly Bill 1072, as amended, by a vote of 59 to 36, Paired 2, A.J. 03/02/06, p. 893.

On March 7, 2006, the senate concurred in Assembly Bill 1072 by a vote of 19 to 14, S.J. 03/07/06, p. 708.

On April 14, 2006, the Governor vetoed Assembly Bill 1072, A.J. 04/18/06, p. 1016.

TEXT OF GOVERNOR'S VETO MESSAGE

April 14, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 1072**. This bill would allow courts in medical malpractice cases to reduce the amount of damages awarded to an injured claimant, by the amount an injured claimant receives from other "collateral sources" in compensation for injuries sustained as a result of medical malpractice.

I am vetoing **Assembly Bill 1072** for the same reasons that I vetoed the virtually identical AB 764 in December of 2005. Like AB 764, this bill is fundamentally unfair. Injured claimants should not be penalized for having obtained health care coverage. Similarly, as I have said before, those responsible for medical malpractice should not be relieved of their obligation to pay for damages sim-

ply because certain patients had the foresight to obtain health care benefits. Our laws governing medical malpractice should be structured to deter, not relieve, wrongful and harmful conduct. Quite simply, this bill has the potential to put patients at risk.

Moreover, **Assembly Bill 1072** solves nothing. Injured claimants very rarely benefit from "double payments." The fact is, most health insurers require claimants to repay benefits they receive from their insurer when they also receive a medical malpractice damages award. This legislation is unnecessary and unfair, and I cannot sign it.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 1074: Recovery of attorney fees in medical malpractice cases

On March 2, 2006, the assembly passed Assembly Bill 1074 by a vote of 55 to 41, Paired 2, A.J. 03/02/06, p. 895.

On March 9, 2006, the senate concurred in Assembly Bill 1074 by a vote of 19 to 14, S.J. 03/09/06, p. 736.

On April 14, 2006, the Governor vetoed Assembly Bill 1074, A.J. 04/18/06, p. 1017.

TEXT OF GOVERNOR’S VETO MESSAGE

April 14, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 1074**. This bill would reduce the caps on attorney fees and prohibit the recovery of support staff and overhead costs in medical malpractice cases handled on a contingency fee basis.

I am vetoing this bill because it is unnecessary and it would limit access to the civil justice system for low-income and middle-income plaintiffs. Current law already caps contingency fees at one-third of the first \$1,000,000 recovered and 20% in excess of that amount. This bill substantially reduces the existing caps and would seriously undermine the existing contingency fee system in

Wisconsin. While not perfect, contingency fee arrangements are often useful in helping to provide access to the legal system for injured consumers and patients.

Just because a low-income or middle-income person doesn’t have thousands of dollars to put a lawyer on retainer doesn’t mean they shouldn’t have access to our system of justice. Unfortunately, this bill is a step toward reserving the justice system for the privileged, a step I cannot support.

Respectfully submitted,

Jim Doyle

Governor

2005 Assembly Bill 1182: Requiring the secretary of administration to submit certain reports to the joint committee on finance

On April 27, 2006, the assembly passed Assembly Bill 1182 by a vote of 62 to 36, A.J. 04/27/06, p. 1075.

On May 3, 2006, the senate concurred in Assembly Bill 1182, S.J. 05/03/06, p. 827.

On May 26, 2006, the Governor vetoed Assembly Bill 1182, A.J. 05/26/06, p. 1157.

TEXT OF GOVERNOR’S VETO MESSAGE

May 26, 2006

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 1182** in its entirety. This bill requires the Secretary of the Department of Administration to submit a report, no later than September 1, 2006, to the Joint Committee on Finance, categorizing any lapses or transfers related to or as a result of the Accountability, Consolidation and Efficiency initiative. The report requires the inclusion of allocations for human resources and payroll functions and server and network support; savings resulting from purchasing and procurement functions; and efficiencies achieved as a result of space management improvements during fiscal year 2005-06.

The Department of Administration has been very open and cooperative with the Legislature on this matter and has regularly provided information to legislators about the success and progress of this initiative. This bill simply adds another layer of bureaucratic red tape and paperwork that would cost the department time and money that could better be used helping taxpayers. The paperwork requirements of this bill are particularly ironic given that the goal of the ACE initiative is to make government less bureaucratic, not more.

Respectfully submitted,

Jim Doyle

Governor

III. PARTIALLY VETOED BILLS

2005 Wisconsin Act 361 (Assembly Bill 208): Creating rural enterprise development zones and providing tax incentives to qualified businesses in the zones and creating refundable individual income tax credits for income and capital gains derived from the zones

On April 7, 2005, the assembly adopted Assembly Substitute Amendment 1 [as amended by Assembly Amendment 1] to Assembly Bill 208 on a voice vote, A.J. 04/07/05, p. 172.

On April 12, 2005, the assembly passed Assembly Bill 208, as amended, by a vote of 65 to 33, A.J. 04/12/05, p. 181.

On March 2, 2006, the senate adopted Senate Amendments 1 and 2 to Assembly Bill 208 on a voice vote, S.J. 03/02/06, pp. 670-671, and concurred in Assembly Bill 208, as amended, by a vote of 17 to 15, S.J. 03/02/06, p. 671.

On March 9, 2006, the assembly concurred in Senate Amendments 1 and 2 to Assembly Bill 208 on a voice vote, A.J. 03/09/06, p. 967.

On April 19, 2006, the Governor approved in part and vetoed in part Assembly Bill 208, and the part approved became 2005 Wisconsin Act 361, A.J. 04/19/06, p. 1022. The date of enactment is April 19, 2006, and the date of publication is May 2, 2006, except those provisions for which the act expressly provides a different date.

TEXT OF GOVERNOR'S VETO MESSAGE

April 19, 2006

To the Honorable Members of the Assembly:

I have approved **Assembly Bill 208** as 2005 Wisconsin Act 361 and have deposited it in the Office of the Secretary of State. I have exercised the partial veto in sections 1-3, 5-9, 12, 13, 16, 17, 19 and 20 (1).

Assembly Bill 208 creates a rural enterprise development zone program and refundable tax credits for businesses that are located in those zones, meet certain criteria and are certified by the Department of Commerce.

The bill provides several financial incentives for businesses to locate, invest and expand in this state and rewards businesses for creating family-supporting jobs and providing training that will make employees more productive. These types of actions by businesses improve their ability to compete with other businesses outside the state and by spurring additional development.

However, I have executed a number of partial vetoes to make the bill more equitable, more focused, and more fiscally responsible. Since all of the credits in the bill are refundable and are not capped, I believe they should be targeted to meet our goals without overburdening the taxpayers.

I am partially vetoing sections 1, 7 [as it relates to the term "rural enterprise development zone"], 9 [as it relates to the term "rural enterprise development zone"], 12 [as it relates to the term "rural enterprise development zone"], 13, 16 [as it relates to the term "rural enterprise development zone"], 17, and 19 [as it relates to the term "rural

economic development zone" and s. 560.799 (3) (a) 2.] to change the name of the zones from "Rural Enterprise Development Zones" to "Enterprise Zones" and to eliminate the restriction that enterprise zones cannot contain any section of a first class city or a city with population over 200,000. As currently worded, the bill creates "rural" enterprise development zones, but it only prohibits the designation of zones that include any portion of the cities of Milwaukee and Madison. Many other urban and affluent communities are allowed to be included in designated zones, but extremely distressed areas of Milwaukee are not. This bill creates a program that the entire State of Wisconsin should be able to benefit from and, therefore, should include the entire state. My partial veto would allow the designation of zones anywhere in the state, including Milwaukee and Madison.

I am vetoing sections 2, 3, 5, 6 and 20 (1) and partially vetoing sections 8 and 9 [as it relates to the income and capital gains credits] to delete the income credit and capital gains credit. These are refundable credits that do not necessarily encourage business development but have potentially large fiscal impacts. My partial veto focuses the enterprise zone program more squarely on worker training and creating well-paying jobs around the state.

I am partially vetoing sections 7, 12 and 16 [as they relate to supplemental claims for personal property taxes and sales taxes] to eliminate some of the supplemental claims under the jobs credit - specifically, the credits for personal property taxes paid in a zone and for sales taxes paid on personal property in a zone. As with the income and

capital gains credit, I have exercised this partial veto to keep the bill fiscally responsible while still achieving the program's goals.

I am partially vetoing section 19 [as it relates to s. 560.799 (3) (a) 1.] to reduce the maximum size of an enterprise zone from 5,000 acres to 50 acres. This keeps the zones smaller and more manageable, with fiscal effects that will be more predictable in the future.

I am partially vetoing section 19 [as it relates to s. 560.799 (1) (a), (1) (b), (2), (3) (b), (3)(c) and (4) (b)] to eliminate the requirement that local governmental units submit an application and development plan to be considered for designation as a zone. This gives the Department of Commerce the authority to designate zones while considering factors such as economic need, job losses, and existing resources in the area.

I am partially vetoing section 19 [as it relates s. 560.799 (5) (c)] so that businesses cannot simply relocate from another part of the state into an enterprise zone to claim credits. This ensures that businesses will have the incentives to expand operations, create new jobs or relocate to Wisconsin from out of state.

With my vetoes, the bill will create an enterprise zone program that focuses on creating family-supporting jobs and improving the productivity of all of Wisconsin's workers. At the same time, the bill is now more responsible to taxpayers and will help ensure that we can continue to afford to meet our other priorities of educating our children and providing health care for Wisconsin's most vulnerable citizens.

Respectfully submitted,

Jim Doyle

Governor

Cited segments of 2005 Assembly Bill 208:

SECTION 1. 20.835 (2) (cm) of the statutes is created to read:

**Vetoed
In Part**

20.835 (2) (cm) *Rural enterprise development zone jobs credit.* A sum sufficient to make the payments under ss. 71.07 (3w) (c) 1., 71.28 (3w) (c) 1., 71.47 (3w) (c) 1.

**Vetoed
In Part**

SECTION 2. 20.835 (2) (em) of the statutes is created to read:

20.835 (2) (em) *Rural enterprise development income credit.* A sum sufficient to pay the claims approved under s. 71.07 (3c).

SECTION 3. 20.835 (2) (eo) of the statutes is created to read:

20.835 (2) (eo) *Rural enterprise development capital gains credit.* A sum sufficient to pay the claims approved under s. 71.07 (3e).

**Vetoed
In Part**

SECTION 5. 71.07 (3c) of the statutes is created to read:

71.07 (3c) RURAL ENTERPRISE DEVELOPMENT INCOME CREDIT. (a) *Definitions.* In this subsection:

1. "Claimant" means an individual who is certified to claim tax benefits under s. 560.799 (5) and who owns or operates a trade or business in a rural enterprise development zone.

2. "Rural enterprise development zone" has the meaning given in s. 71.07 (3w) (a) 4.

(b) *Filing claims.* Subject to the limitations provided in this subsection, a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 an amount obtained by multiplying 20 percent of the net income that the individual derives from the operation of his or her trade or business in a rural enterprise development zone by 6.5 percent. If the allowable amount of the claim exceeds the income taxes otherwise

due on the claimant's income, the amount of the claim not used as an offset against those taxes shall be certified by the department of revenue to the department of administration for payment to the claimant by check, share draft, or other draft from the appropriation under s. 20.835 (2) (em).

**Vetoed
In Part**

(c) *Limitations.* 1. No credit may be allowed under this subsection unless it is claimed within the time period under s. 71.75 (2).

2. For a claimant who is a nonresident or part-year resident of this state and who is a single person or a married person filing a separate return, multiply the credit for which the claimant is eligible under par. (b) by a fraction the numerator of which is the individual's Wisconsin adjusted gross income and the denominator of which is the individual's federal adjusted gross income. If a claimant is married and files a joint return, and if the claimant or the claimant's spouse, or both, are nonresidents or part-year residents of this state, multiply the credit for which the claimant is eligible under par. (b) by a fraction the numerator of which is the couple's joint Wisconsin adjusted gross income and the denominator of which is the couple's joint federal adjusted gross income.

(d) *Administration.* Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

SECTION 6. 71.07 (3e) of the statutes is created to read:

71.07 (3e) RURAL ENTERPRISE DEVELOPMENT CAPITAL GAINS CREDIT. (a) *Definitions.* In this subsection:

1. "Claimant" means an individual who is certified to claim tax benefits under s. 560.799 (5) and who files a claim under this subsection.

**Vetoed
In Part**

2. "Property gain" means the gain derived from the sale or exchange of property, other than real property, that is used in a rural enterprise development zone by a certified business under s. 560.799 (5).

3. "Real property gain" means the gain derived from the sale or exchange of real property that is located in a rural enterprise development zone and used by a certified business under s. 560.799 (5).

4. "Rural enterprise development zone" has the meaning given in s. 71.07 (3w) (a) 4.

(b) *Filing claims.* Subject to the limitations provided in this subsection, a claimant may claim as a credit against the tax imposed under s. 71.02 or 71.08 all of the following:

1. An amount obtained by multiplying the amount of property gain that is not excluded under s. 71.05 (6) (b) 9. and 25. by 6.5 percent.

2. An amount obtained by multiplying the amount of real property gain that is not excluded under s. 71.05 (6) (b) 9. and 25. by 6.5 percent.

(bm) *Payment.* If the allowable amount of the claim under par. (b) exceeds the income taxes otherwise due on the claimant's income, the amount of the claim not used as an offset against those taxes shall be certified by the department of revenue to the department of administration for payment to the claimant by check, share draft, or other draft from the appropriation under s. 20.835 (2) (eo).

(c) *Limitations.* 1. No credit may be allowed under this subsection unless it is claimed within the time period under s. 71.75 (2).

2. If the claimant held the property to which the claim relates during a period when the rural enterprise development zone was not designated, the gain subject to the credit under par. (b) must be multiplied by a fraction, the numerator of which is the number of days the claimant held the property during the period the zone designation was in effect and the denominator of which is the total number of days the claimant held the property.

3. For a claimant who is a nonresident or part-year resident of this state and who is a single person or a married person filing a separate return, multiply the credit for which the claimant is eligible under par. (b), or the credit for which the claimant is eligible under par. (b) as modified by subd. 2., if applicable, by a fraction the numerator of which is the individual's Wisconsin adjusted gross income and the denominator of which is the individual's federal adjusted gross income. If a claimant is married and files a joint return, and if the claimant or the claimant's spouse, or both, are nonresidents or part-year residents of this state, multiply the credit for which the claimant is eligible under par. (b), or the credit for which the claimant is eligible under par. (b) as modified by subd. 2., if applicable, by a fraction the numerator of which is the couple's joint Wisconsin

adjusted gross income and the denominator of which is the couple's joint federal adjusted gross income.

(d) *Administration.* Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

SECTION 7. 71.07 (3w) of the statutes is created to read:

71.07 (3w) **RURAL ENTERPRISE DEVELOPMENT ZONE JOBS CREDIT.** (a) *Definitions.* In this subsection:

1. "Base year" means the taxable year beginning during the calendar year prior to the calendar year in which the rural enterprise development zone in which the claimant is located takes effect.

4. "Rural enterprise development zone" means a zone designated under s. 560.799.

6. "Zone payroll" means the amount of state payroll that is attributable to compensation paid to individuals for services that are performed in a rural enterprise development zone. "Zone payroll" does not include the amount of compensation paid to any individual that exceeds \$100,000.

2. Subtract the number of full-time employees that the claimant employed in the area that comprises the rural enterprise development zone in the base year from the number of full-time employees that the claimant employed in the rural enterprise development zone in the taxable year.

1. The amount of the property taxes that the claimant paid in the taxable year for the claimant's personal property that is located in a rural enterprise development zone and used in a business that is certified to claim tax benefits under s. 560.799 (5).

2. The amount of taxes imposed under subch. III of ch. 77 that the claimant paid in the taxable year on the purchase of tangible personal property and taxable services that are used or consumed primarily in a rural enterprise development zone and used in a business that is certified to claim tax benefits under s. 560.799 (5).

3. If all of the claimant's payroll is zone payroll and all of the claimant's business-related property is located in a rural enterprise development zone, the amount obtained by multiplying 20 percent of the sum of the claimant's zone payroll in the taxable year and the adjusted basis of the claimant's property at the time that the property is first placed in service in the rural enterprise development zone by 6.5 percent.

4. The amount the claimant paid in the taxable year to upgrade or improve the skills of any of the claimant's full-time employees, to train any of the claimant's full-time employees on the use of new technologies, or to train any full-time employee whose employment with the claimant represents the employee's first full-time job. This subdivision does not apply to employees who do not work in a rural enterprise development zone.

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

**Vetoed
In Part**

SECTION 8. 71.08 (1) (intro.) of the statutes is amended to read:

71.08 (1) IMPOSITION. (intro.) If the tax imposed on a natural person, married couple filing jointly, trust, or estate under s. 71.02, not considering the credits under ss. 71.07 (1), (2dd), (2de), (2di), (2dj), (2dL), (2dr), (2ds), (2dx), (2fd), (3c), (3e), (3m), (3n), (3s), (3t), (3w), (5b), (5d), (6), and (9e), 71.28 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m), (3), (3n), and (3t), and (3w), and 71.47 (1dd), (1de), (1di), (1dj), (1dL), (1ds), (1dx), (1fd), (2m), (3), (3n), and (3t), and (3w), and subchs. VIII and IX, and payments to other states under s. 71.07 (7), is less than the tax under this section, there is imposed on that natural person, married couple filing jointly, trust, or estate, instead of the tax under s. 71.02, an alternative minimum tax computed as follows:

SECTION 9. 71.10 (4) (i) of the statutes is amended to read:

71.10 (4) (i) The total of claim of right credit under s. 71.07 (1), farmland preservation credit under subch. IX, homestead credit under subch. VIII, farmland tax relief credit under s. 71.07 (3m), farmers' drought property tax credit under s. 71.07 (2fd), rural enterprise development income credit under s. 71.07 (3c), rural enterprise development capital gains credit under s. 71.07 (3e), rural enterprise development zone jobs credit under s. 71.07 (3w), earned income tax credit under s. 71.07 (9e), estimated tax payments under s. 71.09, and taxes withheld under subch. X.

SECTION 12. 71.28 (3w) of the statutes is created to read:

71.28 (3w) RURAL ENTERPRISE DEVELOPMENT ZONE JOBS CREDIT. (a) Definitions. In this subsection:

1. "Base year" means the taxable year beginning during the calendar year prior to the calendar year in which the rural enterprise development zone in which the claimant is located takes effect.

4. "Rural enterprise development zone" means a zone designated under s. 560.799.

6. "Zone payroll" means the amount of state payroll that is attributable to compensation paid to individuals for services that are performed in a rural enterprise development zone. "Zone payroll" does not include the amount of compensation paid to any individual that exceeds \$100,000.

2. Subtract the number of full-time employees that the claimant employed in the area that comprises the rural enterprise development zone in the base year from the number of full-time employees that the claimant employed in the rural enterprise development zone in the taxable year.

1. The amount of the property taxes that the claimant paid in the taxable year for the claimant's personal property that is located in a rural enterprise development zone and used in a business that is certified to claim tax benefits under s. 560.799 (5).

2. The amount of taxes imposed under subch. III of ch. 77 that the claimant paid in the taxable year on the purchase of tangible personal property and taxable services that are used or consumed primarily in a rural enterprise development zone and used in a business that is certified to claim tax benefits under s. 560.799 (5).

3. If all of the claimant's payroll is zone payroll and all of the claimant's business-related property is located in a rural enterprise development zone, the amount obtained by multiplying 20 percent of the sum of the claimant's zone payroll in the taxable year and the adjusted basis of the claimant's property at the time that the property is first placed in service in the rural enterprise development zone by 7.9 percent.

4. The amount the claimant paid in the taxable year to upgrade or improve the skills of any of the claimant's full-time employees, to train any of the claimant's full-time employees on the use of new technologies, or to train any full-time employee whose employment with the claimant represents the employee's first full-time job. This subdivision does not apply to employees who do not work in a rural enterprise development zone.

SECTION 13. 71.30 (3) (f) of the statutes is amended to read:

71.30 (3) (f) The total of farmers' drought property tax credit under s. 71.28 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under s. 71.28 (2m), rural enterprise development zone jobs credit under s. 71.28 (3w), and estimated tax payments under s. 71.29.

SECTION 16. 71.47 (3w) of the statutes is created to read:

71.47 (3w) RURAL ENTERPRISE DEVELOPMENT ZONE JOBS CREDIT. (a) Definitions. In this subsection:

1. "Base year" means the taxable year beginning during the calendar year prior to the calendar year in which the rural enterprise development zone in which the claimant is located takes effect.

4. "Rural enterprise development zone" means a zone designated under s. 560.799.

6. "Zone payroll" means the amount of state payroll that is attributable to compensation paid to individuals for services that are performed in a rural enterprise development zone. "Zone payroll" does not include the amount of compensation paid to any individual that exceeds \$100,000.

2. Subtract the number of full-time employees that the claimant employed in the area that comprises the rural enterprise development zone in the base year from the number of full-time employees that the claimant employed in the rural enterprise development zone in the taxable year.

1. The amount of the property taxes that the claimant paid in the taxable year for the claimant's personal property that is located in a rural enterprise development

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Vetoed In Part zone and used in a business that is certified to claim tax benefits under s. 560.799 (5).

2. The amount of taxes imposed under subch. III of ch. 77 that the claimant paid in the taxable year on the purchase of tangible personal property and taxable services that are used or consumed primarily in a rural enterprise development zone and used in a business that is certified to claim tax benefits under s. 560.799 (5).

Vetoed In Part 3. If all of the claimant’s payroll is zone payroll and all of the claimant’s business-related property is located in a rural enterprise development zone, the amount obtained by multiplying 20 percent of the sum of the claimant’s zone payroll in the taxable year and the adjusted basis of the claimant’s property at the time that the property is first placed in service in the rural enterprise development zone by 7.9 percent.

Vetoed In Part 4. The amount the claimant paid in the taxable year to upgrade or improve the skills of any of the claimant’s full-time employees, to train any of the claimant’s full-time employees on the use of new technologies, or to train any full-time employee whose employment with the claimant represents the employee’s first full-time job. This subdivision does not apply to employees who do not work in a rural enterprise development zone.

SECTION 17. 71.49 (1) (f) of the statutes is amended to read:

71.49 (1) (f) The total of farmers’ drought property tax credit under s. 71.47 (1fd), farmland preservation credit under subch. IX, farmland tax relief credit under s. 71.47 (2m), rural enterprise development zone jobs credit under s. 71.47 (3w), and estimated tax payments under s. 71.48.

Vetoed In Part **SECTION 19.** 560.799 of the statutes is created to read: **560.799 Rural enterprise development zone. (1)** DEFINITIONS. In this section:

Vetoed In Part (a) “Local governing body” has the meaning given in s. 560.70 (4).

Vetoed In Part (b) “Local governmental unit” means a city, village, town, or county.

Vetoed In Part (bm) 1. A business’ employees in a rural economic development zone.

Vetoed In Part (c) “Tax benefits” means the income and franchise tax credits under ss. 71.07 (3c), (3e), and (3w), 71.28 (3w), and 71.47 (3w).

Vetoed In Part (2) APPLICATION; DEVELOPMENT PLAN. (a) The local governing body of a local governmental unit may apply to the department for designation of an area as a rural enterprise development zone, if the proposed zone includes land within the boundaries of the local governmental unit applying for designation. An application shall include a development plan under par. (b).

(b) A development plan shall include all of the following:

1. A map of the proposed zone that shows the physical boundaries of the proposed zone, the size of the zone in acres, and the present uses and condition of land and structures in the proposed zone.

2. Evidence of support in the proposed zone for the proposed designation, including support from local government, the public, and business groups.

3. A description of the applicant’s or applicants’ goals for, and proposed methods for achieving, increased economic opportunity and expansion, infrastructure improvements, reduced regulatory burdens, and increased job training opportunities in the proposed zone.

4. A description of current social, economic, and demographic characteristics of the proposed zone and of the anticipated improvements in health, human services, and employment that would result from designation as a rural enterprise development zone.

5. A description of anticipated economic and other activity in the proposed zone, including industrial uses, commercial or retail uses, and residential uses.

6. A proposal as to the time period in which the designation would remain in effect.

(3) DESIGNATION OF RURAL ENTERPRISE DEVELOPMENT ZONES; CRITERIA. (a) The department may, upon application, designate not more than 10 rural enterprise development zones. The department may designate an area as a rural enterprise development zone if all of the following apply:

1. The area does not exceed 5,000 acres.

2. The area does not include any part of a city of the first class or a city with a population greater than 200,000.

(b) In determining whether to grant an application to designate an area under par. (a), the department shall consider all of the following:

1. Indicators of the area’s economic need, which may include data regarding household income, average wages, the condition of property, housing values, population decline, job losses, infrastructure and energy support, and the rate of business development ;

2. Indicators of the likelihood of success in achieving the goals under sub. (2) (b) 3. , which may include the strength and viability of the development plan; the level of creativity and innovation reflected in the development plan; the strength of support for the proposal in the proposed zone; the existing resources available to the area; the effect of designation on other initiatives and programs to promote economic and community development in the area, including regional initiatives and programs; the extent to which an applicant proposes to ease regulatory burdens; the extent to which the development plan links job creation and job training ; and the extent to which the development plan focuses on creating high-paying jobs.

(c) The department shall, to the extent possible, give preference to applications in which the areas proposed

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Vetoed In Part for designation have the lowest population densities and have, according to the indicators under par. (b) 1., the greatest economic need.

Vetoed In Part (4) TIME LIMITS; REPORTING. (a) A designation under sub. (3) may remain in effect for no more than 12 years.

Vetoed In Part (b) If the department designates an area as a rural enterprise development zone under sub. (3), the governing body of the local governmental unit that applied for designation shall, during the time that the designation is in effect, annually submit a report to the department, in a form and at a time prescribed by the department, describing the local governmental unit's progress in meeting the goals contained in the development plan under sub. (2) (b) 3., and any additional information required by the department.

Vetoed In Part (5) (a) A business that begins operations in a rural enterprise development zone.

Vetoed In Part (b) A business that relocates to a rural enterprise development zone from outside this state, if the business offers compensation and benefits to its employees working in the zone for the same type of work that are at least as favorable as those offered to its employees working outside the zone, as determined by the department.

Vetoed In Part (c) A business that expands operations in a rural

enterprise development zone or that relocates to a rural enterprise development zone from another location in this state, but only if any of the following apply:

b. The business offers compensation and benefits for the same type of work to its employees working in the rural enterprise development zone that are at least as favorable as those offered to its employees working in this state but outside the zone, as determined by the department.

2. The business makes a capital investment in property located in the rural enterprise development zone and all of the following apply:

(6)

(b)

2. Leaves the rural enterprise development zone to conduct substantially the same business outside of the rural enterprise development zone.

3. Ceases operations in the rural enterprise development zone and does not renew operation of the business or a similar business in the rural enterprise development zone within 12 months.

SECTION 20. Initial applicability.

(1) INDIVIDUAL INCOME TAX, CAPITAL GAINS TAX CREDITS. The treatment of section 71.07 (3c) and (3e) of the statutes first applies to taxable years beginning on July 1, 2007.

