



# Walker signs budget bill, vetoes just 50 items

By [Patrick Marley](#) and [Jason Stein](#) of the Journal Sentinel

June 26, 2011 | [\(897\) Comments](#)

**Ashwaubenon** - Gov. Scott Walker signed a two-year \$66 billion budget Sunday that will cut nearly \$800 million from public schools, expand taxpayer support for private voucher schools, cut taxes for investors and businesses, clamp down on property taxes and put the state's finances in better shape than they've been in for more than a decade.

Using the vast veto powers of Wisconsin governors, Walker struck out dozens of budget provisions, including one that would have allowed bail bondsmen in Wisconsin. He also used his veto pen to bar public employees from collecting pensions unless they work for a state or local government for five years or more, set up new possible limits on a family-planning program and allow state officials to do more no-bid contracts.

As previously announced, the GOP governor also vetoed a provision that would have allowed most fired Milwaukee police officers to continue to receive pay while they appealed their dismissals.

Walker's 50 vetoes were less extensive compared with those issued by previous governors, but that's due largely to the fact that Walker's fellow Republicans run both houses of the Legislature and worked closely with the governor in crafting the legislation. Walker has the broadest veto powers of any governor nationwide, allowing him to strike out entire provisions of the budget or rewrite sections by selectively crossing out words.

Wearing khakis, a blue shirt and no tie, Walker signed the budget Sunday afternoon before a crowd of about 100 at Fox Valley Metal-Tech - a site chosen to highlight a tax cut for manufacturers included in the budget. The governor originally planned to hold the event at the nearby Badger Sheet Metal Works, but changed those plans Friday after [the Journal Sentinel reported](#) the company was headed by someone convicted of tax evasion.

A few hundred protesters gathered outside Fox Valley Metal-Tech, chanting "Shame!" as Walker's guests drove into the parking lot. They held signs decrying budget cuts and chanted, "Recall Walker!"

The budget - Walker's first since taking office in January - closes a \$3 billion shortfall over the next two years largely without relying on tax increases. It raises spending by \$1.1 billion, or 1.8% over two years, and leaves the state with an estimated \$300 million surplus in its main account by June 2013. Republicans in the Legislature passed the budget earlier this month on party-line votes.

"Our balanced budget makes tough choices while also providing a path to prosperity for our state and our people," Walker said in a 20-minute speech. "Through honest budgeting, we are providing an alternative to the reckless tricks and gimmicks of the past. To move forward together, we are acknowledging that we have to make sacrifices to protect the next generation by decreasing the serious debt that they would otherwise inherit."

Walker did not take questions from reporters after his speech.

Assembly Minority Leader Peter Barca (D-Kenosha) said he was glad to see the bail bondsmen and Milwaukee police vetoes but added that many of the budget vetoes had the effect of eliminating the requirement or deadline for Walker to report to lawmakers on a range of issues. Democrats also criticized the budget for making deep cuts to schools and cutting tax credits for the working poor while lowering taxes for corporations.

"His vetoes don't change the fact that his budget serves corporate special interests at the expense of Wisconsin's small businesses and middle class," Barca said in a statement. "Time and again, Gov. Walker has gone out of his way to limit public scrutiny of his extreme agenda and it comes as no surprise that the governor used many of his vetoes to take away public accountability and further consolidate power in his administration."

Walker's budget signing comes five days before the new fiscal year starts Friday. It will be the second budget in a row to be signed on time. Other budgets have been weeks or months late, primarily because of partisan wrangling.

"(It's) the earliest we have signed the budget since before I was born," Walker told the crowd.

The only certain financial impact that Walker's office was able to point to from the vetoes was his decision to nix \$10,000 that lawmakers had earmarked for a website for a proposed launching site for space rockets being sought for Sheboygan.

Here's a breakdown on the other vetoes:

**Bail bondsmen:** For decades, for-profit bail bondsmen have been banned from operating in Wisconsin. Lawmakers lifted that ban in their version of the budget, but Walker vetoed it, keeping bail bondsmen out of the state. He said he supported the provision but wanted it to be passed as separate legislation to give the state time to plan for the change and properly review it.

The bondsmen would have paid bail on behalf of prisoners for a fee of up to 10% of the cost of bail. They would have had arrest powers to catch fugitives who did not show up for court dates.

The industry and its supporters say bail bondsmen ensure more people show up for court, making the justice system more efficient. Critics say they open the door to corruption.

**Ethics statements:** Under current law, people can have the ethics forms for lawmakers and other public officials emailed to them after requesting them and paying for them. The budget would have ended that practice, requiring people to travel to Madison to pick them up.

Walker vetoed that provision Sunday, leaving current law in place.

**Public worker pensions:** Walker also rewrote sections of the state budget to require public employees to work for five years before qualifying for pension benefits instead of having the employees become gradually vested in the state pension system over five years, as lawmakers had intended.

The administration said no estimate had been done on how much that could save the retirement system or decrease payouts to shorter-term state employees.

**Family planning:** The governor also issued a veto that would give his administration more say over the limits it would put in place for a family planning program that provides free birth control to those as young as 15. Those limits could include new restrictions on the ages and incomes of those who use the program, but the federal government would have to sign off on the changes first.

Amanda Harrington, a spokeswoman for Planned Parenthood of Wisconsin, said the changes could endanger federal support for the program.

"We will do everything possible to protect this program, which helps 57,000 people in Wisconsin afford basic preventive health care at health care providers throughout the state," Harrington said.

**No-bid contracts:** Walker used his veto powers to expand an exemption in no-bid contracts for the state, increasing it from \$25,000 to \$50,000. Lawmakers had intended to limit that exemption to just the University of Wisconsin-System, but Walker's veto will allow all state agencies to buy products and services at that larger amount without seeking bids.

**Corporate taxes:** The governor also used his vetoes to make what he called a correction in a provision to cut taxes for multistate corporations, a reversal of part of an increase that Democratic lawmakers and Doyle had passed in 2009.

According to Walker's office, the veto would not add to previous estimates of the size of the tax cut.

**Transitional jobs:** Walker also vetoed a section that would have prohibited needy state residents placed in transitional jobs from working at nonprofit employers, saying it could have made it more difficult to get individuals back into the work force.

**Milwaukee police pay: Fired Milwaukee officers** used to continue to receive their pay while they appealed their terminations, but lawmakers ended that practice in 2009. In the budget, legislators rolled back the provisions so that most fired officers would continue to receive pay during the appeals process. Those charged with felonies or serious misdemeanors would have been the only ones to see their pay immediately cut off.

But Walker [vetoed those changes](#), ensuring no officers receive pay after they are fired. Officers who win their jobs back would get back pay.

**Tobacco taxes:** He also used his veto powers to keep in place how chewing tobacco is taxed. Lawmakers wanted to tax smokeless tobacco based on weight instead of price, but Walker said he was

concerned that would make some products cheaper and thus more attractive to children.

**Property tax exemption:** He also chose to keep in place a property tax exemption for Pres House, a privately owned student housing facility in Madison. Lawmakers exempted the facility from property taxes in 2009, but they used this year's budget to repeal the exemption. Walker's veto keeps the property off the tax rolls, meaning other Madison property owners will have to continue to pay more than \$100,000 in additional property taxes to provide the break.

**Abortion prohibition:** Walker also is keeping in place a budget provision that would bar the University of Wisconsin Hospitals and Clinics Authority from providing abortions, despite claims by some that it could put at risk the university's accreditation for its obstetrics and gynecology program. Walker said he did not believe the university would lose that accreditation.

"I feel strongly that taxpayer dollars should not support the performance of elective abortions," he wrote.

**Auto title loans:** Walker declined to veto budget provisions that will loosen restrictions on payday lenders and allow lenders to issue small, high-interest loans secured by vehicle titles. Democrats who ran the Legislature last year limited payday loans to a maximum of \$1,500 and then-Gov. Jim Doyle used his veto powers to ban title loans.

Payday and title loans often have annual interest rates that exceed 500%. Critics say the lenders prey on poor people, while backers say they offer help for those who cannot qualify for traditional loans.

Wisconsin's governor may delete entire paragraphs or single words in the state budget. For example (at right), Walker changed a provision to say state workers must be employed 5 years before qualifying for a pension, instead of a phased-in plan for being vested.

He also used his vetoes to make permanent strict limits on property taxes (right), eliminating a 1.5% growth-factor increase in 2013 that lawmakers had written into the bill.

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