



# Executive Vetoes of Bills Passed by the 2017 Legislature Excluding the Executive Budget Act



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## I. INTRODUCTION

This report contains the veto messages of Governor Scott Walker affecting all legislation, except the executive budget act, 2017 Wisconsin Act 59, as passed by the 2017 Wisconsin Legislature. See *LRB Reports*, volume 1, number 4, for the partial vetoes of 2017 Wisconsin Act 59.

### Status of Legislation

During the 2017 regular legislative session, there were 1,950 bills introduced, of which 346 were enacted into law, none were vetoed in full, and three were vetoed in part. During the January 2017 special legislative session, there were 22 bills introduced, of which 11 were enacted into law and none were vetoed in full or in part. During the August 2017 special legislative session, there were two bills introduced, of which one was enacted into law, none were vetoed in full, and one was vetoed in part. During the January 2018 special legislative session, there were 20 bills introduced, of which nine were enacted into law and none were vetoed in full or in part. During the March 2018 special legislative session, six bills were introduced, of which none were enacted into law and none were vetoed in full or in part.

### Completely Vetoed Bills

None

### Partially Vetoed Bills

2017 Wisconsin Act 58 (Au17 SS AB-1) . . . . .	Page 3
2017 Wisconsin Act 59 (AB-64) . . . . .	See <i>LRB Reports</i> , vol. 1, no. 4
2017 Wisconsin Act 184 (AB-539) . . . . .	Page 5
2017 Wisconsin Act 367 (SB-798) . . . . .	Page 7

### Report Format

This report provides the following information:

1. The legislative action for each 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. The sections of the act in which the veto occurred, with the vetoed material indicated by a distinguishing shading.

## II. HISTORY OF VETO PROCESS

Wisconsin governors have had the constitutional power to veto bills in their entirety since the ratification of the Wisconsin Constitution in 1848. In November 1930, the people of Wisconsin approved a constitutional amendment granting the governor the additional power to veto appropriation bills in part. The new partial veto authority was used immediately beginning with the 1931 session.

Article V, Section 10, Wisconsin Constitution, grants the veto power to the governor. The following is reprinted from the *Annotated Wisconsin Constitution*, published March 22, 2018:

**Governor to approve or veto bills; proceedings on veto.** SECTION 10. [*As amended Nov. 1908, Nov. 1930, April 1990 and April 2008*]

(1) (a) Every bill which shall have passed the legislature shall, before it becomes a law, be presented to the governor.

(b) If the governor approves and signs the bill, the bill shall become law. Appropriation bills may be approved in whole or in part by the governor, and the part approved shall become law.

(c) In approving an appropriation bill in part, the governor may not create a new word by rejecting individual letters in the words of the enrolled bill, and may not create a new sentence by combining parts of 2 or more sentences of the enrolled bill.

(2) (a) If the governor rejects the bill, the governor shall return the bill, together with the objections in writing, to the house in which the bill originated. The house of origin shall enter the objections at large upon the journal and proceed to reconsider the bill. If, after such reconsideration, two-thirds of the members present agree to pass the bill notwithstanding the objections of the governor, it shall be sent, together with the objections, to the other house, by which it shall likewise be reconsidered, and if approved by two-thirds of the members present it shall become law.

(b) The rejected part of an appropriation bill, together with the governor's objections in writing, shall be returned to the house in which the bill originated. The house of origin shall enter the objections at large upon the journal and proceed to reconsider the rejected part of the appropriation bill. If, after such reconsideration, two-thirds of the members present agree to approve the rejected part notwithstanding the objections of the governor, it shall be sent, together with the objections, to the other house, by which it shall likewise be reconsidered, and if approved by two-thirds of the members present the rejected part shall become law.

(c) In all such cases the votes of both houses shall be determined by ayes and noes, and the names of the members voting for or against passage of the bill or the rejected part of the bill notwithstanding the objections of the governor shall be entered on the journal of each house respectively.

(3) Any bill not returned by the governor within 6 days (Sundays excepted) after it shall have been presented to the governor shall be law unless the legislature, by final adjournment, prevents the bill's return, in which case it shall not be law. [*1905 J.R. 14, 1907 J.R. 13, 1907 c. 661, vote Nov. 1908; 1927 J.R. 37, 1929 J.R. 43, vote Nov. 1930; 1987 A.J.R. 71, 1989 S.J.R. 11, vote April 1990; 2005 J.R. 46, 2007 J.R. 26, vote April 2008*]

### III. PARTIALLY VETOED BILLS

#### **2017 Wisconsin Act 58 (August 2017 Special Session Assembly Bill 1): Authorizing the creation of an electronics and information technology manufacturing zone**

On August 17, 2017, the Assembly adopted Assembly Substitute Amendment 1 to August 2017 Special Session Assembly Bill 1 (as amended by Assembly Amendment 24 to Assembly Substitute Amendment 1) on a voice vote, A.J. 8/17/17, p. 370, and passed August 2017 Special Session Assembly Bill 1, as amended, by a vote of 59 to 30, paired 6, A.J. 8/17/17, p. 370.

On September 12, 2017, the Senate adopted Senate Substitute Amendment 1 to August 2017 Special Session Assembly Bill 1 (as amended by Senate Amendments 1 and 13) on a voice vote, S.J. 9/12/17, p. 440, and concurred in 2017 Special Session Assembly Bill 1, as amended, by a vote of 20 to 13, S.J. 9/12/17, p. 440.

On September 14, 2017, the Assembly concurred in Senate Substitute Amendment 1 to August 2017 Special Session Assembly Bill 1, as amended, by a vote of 64 to 31, paired 4, A.J. 9/14/17, p. 411.

On September 18, 2017, the Governor approved in part and vetoed in part August 2017 Special Session Assembly Bill 1, and the part approved became 2017 Wisconsin Act 58, A.J. 9/19/17, p. 417. The date of enactment is September 18, 2017, and the date of publication is September 19, 2017, and, as provided by section 991.11, Wisconsin Statutes, the effective date of all provisions of the act is September 20, 2017, except those provisions for which the act expressly provides a different date.

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#### TEXT OF GOVERNOR'S VETO MESSAGE

September 18, 2017

To the Honorable Members of the Assembly:

I have approved in part **August 2017 Special Session Assembly Bill 1** as 2017 Wisconsin Act 58 and have deposited it in the Office of the Secretary of State. I have exercised the partial veto in Section 60 (1c); Section 18e; and Sections 18d, 18g and 18i, as it relates to the Joint Committee on Finance approval of bond proceeds and annexations and incorporations.

August 2017 Special Session Assembly Bill 1 creates an Electronics and Information Technology Manufacturing Zone among other changes. This legislation will enable the Wisconsin Economic Development Corporation to contract with an employer to solidify the largest single private sector investment in state history. This is estimated to create up to 13,000 direct jobs and \$10 billion in capital investment. While I fully support the bill, I am using my constitutionally allowed veto authority to make three changes.

#### 1. Joint Committee on Finance Approval of Bond Proceeds for the I 94 North-South Corridor Project

##### Section 60 (1c)

This section specifies that the Department of Transportation may not expend the proceeds of the general obligation bonds provided under the bill for the I 94 north-south corridor project unless the state receives an award of federal moneys for the project and the Department of Transportation submits a request to expend the funds to the Joint Committee on Finance. This section further specifies that the department may not expend the proceeds of the bonds

if, within 14 days of receiving the request to expend the bond proceeds, the Joint Committee on Finance objects to the request and, within 30 days of objecting, the Joint Committee on Finance votes to deny the request to expend the proceeds.

I am partially vetoing this provision to eliminate the Joint Committee of Finance's ability to object to and then potentially vote to deny the request to expend the proceeds because this provision may hinder the state's ability to receive federal funds for the project. Since certain federal grant programs explicitly inquire about the stability and dependability of the funding sources for a project as part of the determination of which projects receive federal funding, creating any potential ambiguity over the availability of the bond proceeds may jeopardize Wisconsin's ability to compete with other states for federal funds.

I am also partially vetoing this provision to eliminate the requirement that the Department of Transportation submit a request to extend the bond proceeds to the Joint Committee on Finance because this request becomes unnecessary once the potential for the Joint Committee on Finance to object to and deny the request is removed from the bill.

Furthermore, by approving the bill the Legislature has approved authorizing the bonds for the project contingent on receiving federal moneys for the project. By maintaining this contingency, the legislative intent is

maintained and the redundant review that could jeopardize federal funding is eliminated.

2. Incorporation of a Town Adjacent to a City or Village Containing an Electronics and Information Technology Manufacturing Zone

Section 18e

This section allows a town adjacent to a city or village that contains an electronics and information technology manufacturing zone to incorporate if the town approves an incorporation referendum. This section further specifies that none of the current law procedures, including hearings, circuit court review and incorporation review board analysis, applies to this incorporation.

I am partially vetoing this section to narrow its scope to eliminate its applicability to a town adjacent to a city because I object to the potential uncertainty and disruption that this provision may create between a city and a town that are considering a boundary agreement or are engaged in boundary agreement discussions. As a result of my veto, this incorporation option will be limited to allowing a town adjacent to a village that contains an electronic and information technology manufacturing zone to consider incorporation under this section.

3. Prohibition on Annexations

Sections 18d, 18g and 18i

These sections specify that once residents of a town initiate certain actions to incorporate, no city or village may annex any territory of that town until 30 days after the petition to incorporate is dismissed, all appeals of the petition dismissal are exhausted, or an incorporation referendum is held in the town.

I am vetoing these sections because these broad prohibitions may create uncertainty and delay for economic development projects throughout the state as the provisions may create longer periods under which it will be unclear as to which municipality will ultimately contain the parcels intended for development.

These changes build upon the Legislature's great work on this bill. These changes will pave the way for Wisconsin to lead the nation to bring an entirely new industry to the United States. This industry's products will once again be Made in America, right here in Wisconsin.

Respectfully submitted,

SCOTT WALKER

Governor

Section 60 (1c)

**Governor's written objections**

I am partially vetoing this provision to eliminate the Joint Committee of Finance's ability to object to and then potentially vote to deny the request to expend the proceeds because this provision may hinder the state's ability to receive federal funds for the project. Since certain federal grant programs explicitly inquire about the stability and dependability of the funding sources for a project as part of the determination of which projects receive federal funding, creating any potential ambiguity over the availability of the bond proceeds may jeopardize Wisconsin's ability to compete with other states for federal funds.

I am also partially vetoing this provision to eliminate the requirement that the Department of Transportation submit a request to extend the bond proceeds to the Joint Committee on Finance because this request becomes unnecessary once the potential for the Joint Committee on Finance to object to and deny the request is removed from the bill.

**Cited segments of August 2017 Special Session Assembly Bill 1:**

**SECTION 60. Nonstatutory provisions.**

(1c) The department of transportation may not expend the proceeds of general obligation bonds issued under section 20.866 (2) (uuz) of the statutes unless the state receives an award of federal moneys for the I 94 north-south corridor project under section 84.0145 (3)

(b) 1. of the statutes and submits a request to expend the proceeds to the joint committee on finance . The depart-

ment may not expend the proceeds of general obligation bonds issued under section 20.866 (2) (uuz) of the statutes if, within 14 days of receiving the request to expend proceeds, the joint committee on finance objects to the request and, within 30 days of objecting, the joint committee on finance votes to deny the request to expend proceeds.

**Vetoed  
In Part**

**Vetoed  
In Part**

Section 18e

Governor's written objections

I am partially vetoing this section to narrow its scope to eliminate its applicability to a town adjacent to a city because I object to the potential uncertainty and disruption that this provision may create between a city and a town that are considering a boundary agreement or are engaged in boundary agreement discussions. As a result of my veto, this incorporation option will be limited to allowing a town adjacent to a village that contains an electronic and information technology manufacturing zone to consider incorporation under this section.

Cited segments of August 2017 Special Session Assembly Bill 1:

SECTION 18e. 66.0203 (10) of the statutes is created to read:

Vetoed In Part

66.0203 (10) CERTAIN TOWNS MAY BECOME A CITY OR VILLAGE. A TOWN that is adjacent to a city or village that contains an electronics and information technology manufacturing zone that is designated under s. 238.396 (1m)

may become a city or village if the town holds, and approves, an incorporation referendum as described in s. 66.0211 (3). None of the other procedures contained in ss. 66.0201 to 66.0213 need to be fulfilled, and no approval by the board under s. 66.0207 is necessary for the town to become a city or village.

Sections 18d, 18g and 18i

Governor's written objections

I am vetoing these sections because these broad prohibitions may create uncertainty and delay for economic development projects throughout the state as the provisions may create longer periods under which it will be unclear as to which municipality will ultimately contain the parcels intended for development.

Cited segments of August 2017 Special Session Assembly Bill 1:

Vetoed In Part

SECTION 18d. 66.0203 (2) (bm) of the statutes is created to read:

66.0203 (2) (bm) Once a petition is filed under par. (b), no territory within the town may be annexed by any city or village under s. 66.0217 or 66.0219 until 30 days after one of the following occurs:

1. Subject to subd. 2., the petition is dismissed by the court under sub. (8) or the board under sub. (9).

2. If the petition is dismissed as described under subd. 1. and the dismissal is appealed as described under s. 66.0209, all appeals are exhausted.

3. An incorporation referendum is held in the town.

Vetoed In Part

SECTION 18g. 66.0215 (1m) of the statutes is created to read:

66.0215 (1m) ANNEXATION LIMITATION. Once a petition is filed under sub. (1), no territory within the town may be annexed by any city or village under s. 66.0217 or 66.0219 until 30 days after the referendum is held in the town.

SECTION 18i. 66.02162 (1m) of the statutes is created to read:

66.02162 (1m) ANNEXATION LIMITATION. Once a resolution is adopted under sub. (1), no territory within the town may be annexed by any city or village under s. 66.0217 or 66.0219 until 30 days after the referendum is held in the town.

Vetoed In Part

2017 Wisconsin Act 184 (Assembly Bill 539):

Plans for supervised release of sexually violent persons and representation of sexually violent persons by the state public defender

On January 16, 2018, the Assembly adopted Assembly Amendment 1 to Assembly Bill 539 on a voice vote, A.J. 1/16/18, p. 639, and passed Assembly Bill 539, as amended, by a vote of 89 to 5, A.J. 1/16/18, p. 639.

On February 20, 2018, the Senate adopted Senate Amendment 1 to Assembly Bill 539 on a voice vote, S.J. 2/20/18, p. 767, and concurred in Assembly Bill 539, as amended, by a vote of 32 to 0, S.J. 2/20/18, p. 767.

On February 21, 2018, the Assembly did not concur in Senate Amendment 1 to Assembly Bill 539, A.J. 2/21/18, p. 832.

On March 20, 2018, the Senate receded from its position on Senate Amendment 1 to Assembly Bill 539, S.J. 3/20/18, p. 844.

On March 28, 2018, the Governor approved in part and vetoed in part Assembly Bill 539, and the part approved became 2017 Wisconsin Act 184, A.J. 3/28/18, p. 918. The date of enactment is March 28, 2018, and the date of publication is March 29, 2018, and, as provided by section 991.11, Wisconsin Statutes, the effective date of all provisions of the act is March 30, 2018, except those provisions for which the act expressly provides a different date.

**TEXT OF GOVERNOR’S VETO MESSAGE**

March 28, 2018

To the Honorable Members of the Assembly:

I have approved **Assembly Bill 539** as 2017 Wisconsin Act 184 and have deposited it in the Office of the Secretary of State. I have exercised the partial veto in Section 20, as it relates to s. 980.08 (4)(dm) 1. (intro), and Section 26, as it relates to s. 980.08 (4)(dm) 1. A., b. and c.

Assembly Bill 539 makes changes related to the supervised release and representation of sexually violent persons and creates an appropriation. Among other changes, this bill eliminates distance limits for the placement of sexually violent persons. Namely, the bill eliminates the requirement that a placement be at least 1,500 feet away from any school premises, child care facility, public park, place of worship or youth center. In the case of persons who have committed a sexually violent offense against an at-risk adult or an at-risk elder, the bill also eliminates the requirement that a placement must be at least 1,500 feet from a nursing home or assisted living center. In the case of a serious child sex offender, the bill eliminates the requirement that a placement is not on a property adjacent to a property where a child’s primary residence exists.

I have exercised the partial veto in Section 20, as it relates to s. 980.08 (4) (dm) 1. (intro), and Section 26, as it relates to s. 980.08 (4) (dm) 1. a., b. and c., because I object to a policy that eliminates current law provisions requiring that residential options be a specific distance from any school premises, child care facility, public park, place of worship or youth center. I also object to persons who have committed sexually violent offenses against at-risk adults or at-risk elders being placed closer to a nursing home or assisted living facility beyond current law. I also object to serious child sex offenders being placed closer to a child’s primary residence beyond current law.

With this veto, the process of placing sexually violent persons can be improved while not weakening current law protections that keep sexually violent persons at reasonable distances away from vulnerable populations.

Respectfully submitted,

SCOTT WALKER

Governor

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*Sections 20 and 26*

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**Governor’s written objections**

I have exercised the partial veto in Section 20, as it relates to s. 980.08 (4) (dm) 1. (intro), and Section 26, as it relates to s. 980.08 (4) (dm) 1. a., b. and c., because I object to a policy that eliminates current law provisions requiring that residential options be a specific distance from any school premises, child care facility, public park, place of worship or youth center. I also object to persons who have committed sexually violent offenses against at-risk adults or at-risk elders being placed closer to a nursing home or assisted living facility beyond current law. I also object to serious child sex offenders being placed closer to a child’s primary residence beyond current law.

**Cited segments of 2017 Assembly Bill 539**

**SECTION 20.** 980.08 (4) (cm) and (e) of the statutes are consolidated, renumbered 980.08 (4) (dm) 1. (intro.) and amended to read:

980.08 (4) (dm) 1. (intro.) If the court finds that all of the criteria in par. (cg) are met, the court shall select a county to prepare a report under par. (e). ~~Unless the court~~



has good cause to select another county, the court shall select order the county of the person's county of residence, as determined by the department of health services under s. 980.105. ~~An actual or alleged lack of available housing for the person within a county because of an ordinance or resolution in effect or proposed by the county or by a city, town, or village within the county may not constitute good cause to select another county under this paragraph. The court may not select a county where there is a facility in which persons committed to institutional care under this chapter are placed unless that county is also that person's county of residence. (e) The court shall order the county department under s. 51.42 in the county of intended placement to prepare a report, either independently or with the department of health services, identifying prospective residential options for community placement. In identifying prospective residential options, the county department shall consider the proximity of any potential placement to the residence of other persons on supervised release and to the residence of persons who are in the custody of the department of corrections and regarding whom a sex offender notification bulletin has been issued to law enforcement agencies under s. 301.46 (2m) (a) or (am). The, to prepare a report. The county shall create a temporary committee to prepare the report for the county. The committee shall consist of the county department under s. 51.42, a representative of the department of health services, a local probation or parole officer, the county corporation counsel or his or her designee, and a representative of the county that is responsible for land use planning or the department of the county that is responsible for land information. In the report, the county shall identify an appropriate residential option in that county while the person is on supervised release. In counties with a population of 750,000 or more, the committee shall select a residence in the person's city, village, or town of residence, as determined by the department of health services under s. 980.105 (2m). The report shall demonstrate that the county has contacted the landlord for that residential option and that the landlord has committed to enter into a lease. The county shall consider the following factors when identifying an appropriate residential option:~~

**Vetoed  
In Part**

**SECTION 26.** 980.08 (4) (f) 2., 3. and 4. of the statutes are renumbered 980.08 (4) (dm) 1. a., b. and c. ~~and~~

**Vetoed  
In Part**

~~amended to read:~~  
980.08 (4) (dm) 1. a. ~~Ensure that The distance between the person's placement is into a residence that is not less than 1,500 feet from and any school premises, child care facility, public park, place of worship, or youth center. A person is not in violation of a condition or rule of supervised release under sub. (7) (a) if any school premises, child care facility, public park, place of worship, or youth center is established within 1,500 feet from near the person's residence after he or she is placed in the residence under this section.~~

**Vetoed  
In Part**

b. ~~If the person committed a sexually violent offense against an adult at risk, as defined in s. 55.01 (1e), or an elder adult at risk, as defined in s. 46.90 (1) (br), ensure that the distance between the person's placement is into a residence that is not less than 1,500 feet from and a nursing home or an assisted living facility. A person is not in violation of a condition or rule of supervised release under sub. (7) (a) if a nursing home or an assisted living facility is established within 1,500 feet from near the person's residence after he or she is placed in the residence under this section.~~

c. ~~If the person is a serious child sex offender, ensure that the distance between the person's placement is into a residence that is not on a property adjacent to and a property where a child's primary residence exists. For the purpose of this subdivision, adjacent properties are properties that share a property line without regard to a public or private road if the living quarters on each property are not more than 1,500 feet apart. A person is not in violation of a condition or rule of supervised release under sub. (7) (a) if a child establishes primary residence in a property adjacent to near the person's residence after the person is placed in the residence under this section.~~

**2017 Wisconsin Act 367 (Senate Bill 798):  
A sales and use tax rebate for certain dependent children**

On March 20, 2018, the Senate adopted Senate Substitute Amendment 2 to Senate Bill 798 on a voice vote, S.J. 3/20/18, p. 845, and passed Senate Bill 798, as amended, by a vote of 17 to 15, S.J. 3/20/18, p. 845.

On March 22, 2018, the Assembly concurred in Senate Bill 798 by a vote of 59 to 31, A.J. 3/22/18, p. 895.

On April 17, 2018, the Governor approved in part and vetoed in part Senate Bill 798, and the part approved became 2017 Wisconsin Act 367, S.J. 4/18/18, p. 896. The date of enactment is April 17, 2018, and the date of publication is April 18, 2018, and, as provided by section 991.11, Wisconsin Statutes, the effective date of all provisions of the act is April 19, 2018, except those provisions for which the act expressly provides a different date.

**TEXT OF GOVERNOR’S VETO MESSAGE**

April 14, 2016

The Honorable, the Senate:

I have approved **Senate Bill 798** as 2017 Wisconsin Act 367 and have deposited it in the Office of the Secretary of State. I have exercised the partial veto in Section 1f, as it relates to s. 77.54 (67)(b), and Section 2, as it relates to s. 77.68 (1)(f)2.

Senate Bill 798 provides relief to taxpayers with children through two mechanisms. First, the bill provides a sales and use tax holiday for school-related items including school supplies where each item is no more than \$75, clothing where each item is no more than \$75, computers where each item is no more than \$750 and computer supplies where each item is no more than \$250. The holiday will occur on two days during the first weekend in August and will not recur in future years. The second mechanism by which the bill provides tax relief is by creating a sales and use tax rebate for claimants with dependent children who were under the age of 18 for the entirety of 2017. For each qualified dependent child, a taxpayer may file a claim with the Department of Revenue for a \$100 sales and use tax rebate. The rebate is not available for years after 2018.

I have exercised the partial veto in Section 2, as it relates to s. 77.68 (1)(f)2, because I object to the definition of a qualified child excluding children under the care of grandparents and other relatives. With this partial veto, a qualified child must be under the age of 18 for all of 2017 and must also be the claimant’s dependent. These two definitions adequately ensure that only those with qualified dependent children may claim the rebate. The bill’s language specifying that the qualified child must also be the claimant’s child inadvertently would exclude cases where other family members are raising a child who lost his or her parents to death, incapacitation or incarceration, or

other factors. This would exclude grandparents, aunts, uncles and other relatives from being eligible for claiming the rebate for children in their care.

This partial veto corrects an inadvertent error and ensures at least 75,000 children are eligible, as was the original intent of this proposal. Since this modification restores the original intent of the rebate, the fiscal effect of the child sales and use tax rebate remains unchanged at \$122.1 million GPR and is unaffected by the partial veto.

I have also exercised the partial veto in Section 1f, as it relates to s. 77.54 (67)(b), because I object to limiting the sales tax holiday to only two days, which may deny hard-working taxpayers with children the chance to take advantage of this sales tax holiday. This partial veto would extend the sales tax holiday to the period starting on August 1, 2018, and extend it to the following Sunday, August 5, 2018. By extending the period of the sales tax holiday to these five days instead of two days, more parents and students will have the flexibility to save on critical purchases during the back-to-school season. Extending the applicable period by three days is estimated to reduce general fund tax revenues by an additional \$3 million relative to the bill’s initial fiscal estimate of \$11.8 million.

With these vetoes, all taxpayers with dependent children under age 18 will be able to claim this year’s sales and use tax rebate, providing meaningful tax relief to families with children, and taxpayers will have a longer period to benefit from the sales tax holiday this August.

Respectfully submitted,  
**SCOTT WALKER**  
Governor

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*Sections 1f and 2*

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**Governor’s written objections**

I have exercised the partial veto in Section 2, as it relates to s. 77.68 (1)(f)2, because I object to the definition of a qualified child excluding children under the care of grandparents and other relatives. With this partial veto, a qualified child must be under the age of 18 for all of 2017 and must also be the claimant’s dependent. These two definitions adequately ensure that only those with qualified dependent children may claim the rebate. The bill’s language specifying that the qualified child must also be the claimant’s child inadvertently would exclude cases where other family members are raising a child who lost his or her parents to death, incapacitation or incarceration, or other factors. This would exclude grandparents, aunts, uncles and other relatives from being eligible for claiming the rebate for children in their care.

This partial veto corrects an inadvertent error and ensures at least 75,000 children are eligible, as was the original intent of this proposal. Since this modification restores the original intent of the rebate, the fiscal effect of the child sales and use tax rebate remains unchanged at \$122.1 million GPR and is unaffected by the partial veto.

I have also exercised the partial veto in Section 1f, as it relates to s. 77.54 (67)(b), because I object to limiting the sales tax holiday to only two days, which may deny hardworking taxpayers with children the chance to take advantage of this

sales tax holiday. This partial veto would extend the sales tax holiday to the period starting on August 1, 2018, and extend it to the following Sunday, August 5, 2018. By extending the period of the sales tax holiday to these five days instead of two days, more parents and students will have the flexibility to save on critical purchases during the back-to-school season. Extending the applicable period by three days is estimated to reduce general fund tax revenues by an additional \$3 million relative to the bill's initial fiscal estimate of \$11.8 million.

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**Cited segments of 2017 Senate Bill 798:**

**SECTION 1f.** 77.54 (67) of the statutes is created to read:

**Vetoed  
In Part**

(b) For the 2-day period beginning on the first Saturday in August and ending on the following Sunday, the sales price from the sale of and the storage, use, or other consumption of the following:

**SECTION 2.** 77.68 of the statutes is created to read:

**77.68 Qualified child sales and use tax rebate for 2018. (1) DEFINITIONS.** In this section:

(f) "Qualified child" means an individual to whom all of the following apply:

2. The individual is the claimant's child and the claimant's dependent, as defined under section 152 of the Internal Revenue Code.

**Vetoed  
In Part**



