

1999 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB133)

Received: **06/18/99**

Received By: **champra**

Wanted: **Soon**

Identical to LRB:

For: **Assembly Republican Caucus**

By/Representing: **Dake**

This file may be shown to any legislator: **NO**

Drafter: **champra**

May Contact:

Alt. Drafters:

Subject: **State Finance - miscellaneous**

Extra Copies:

Pre Topic:

ARC:.....Dake - Amendment #78 (11)

Topic:

Budget and Compensation Reserves

Instructions:

See Attached.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	champra 06/21/99	gilfokm 06/21/99	ismith 06/21/99	_____	lrb_docadmin 06/21/99		

FE Sent For:

<END>

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/1	champra	1-	IS 6/21	IS/JF 6/21			

FE Sent For:

<END>

Budget Amendments 1999-2000

Statement of Intent

Legislator

Suder & Gundrum

Amendment#

78

Staff contact

Anne & Jolene

Status

Agency

Tax Relief - Spending Cut Package #1

Tax cut

Summary

Tax Relief- Spending Cut Package #1 (see attached)

JTK
#1
#11

Fiscal Impact

ARC Analyst

Brian Dake

Handwritten notes and scribbles on the right side of the page.

Request#

3670

TAX RELIEF PACKAGE

Provision #1

Agency:

Elections Board (Increased Funding for WECF)

STK

JFC Action:

The Joint Finance Committee provided \$750,000 GPR as a dedicated reserve in the Committee's GPR supplemental appropriation for financing increased costs associated with separate campaign finance reform legislation.

Motion:

Specify the \$750,000 GPR in a dedicated reserve in the Joint Finance Committee's GPR supplemental appropriation be lapsed into the general fund.

Fiscal Effect:

The motion would reduce GPR spending by \$750,000 over the biennium

Provision #2

Agency:

Arts Board (American Indian Arts)

JFC Action:

The Joint Finance Committee provided \$25,200 annually in a new, annual appropriation for grants-in-aid to, or contracts with, American Indian groups, individuals, organizations, and institutions. Funding would be derived from Indian gaming compact receipts.

PG

Motion:

Eliminate funding for the American Indian Arts program.

Fiscal Effect:

The motion would reduce PR spending by \$50,400. Unallocated tribal gaming revenue allocations are lapsed into the general fund.

Provision #3

Agency:

University of Wisconsin Systems (Ashland Aquaculture Facility)

MISL

JFC Action:

Joint Finance authorized bonding authority for construction of a full-scale aquaculture demonstration facility near Ashland. The facility, to be operated by the University of Wisconsin-System, would house programs designed to foster the development of the commercial aquaculture industry in the state; including applied research, demonstration, education and outreach activities.

The facility would cost \$3,000,000 and would be funded through Program Revenue under General Obligation Bonds.

Motion:

This amendment would remove the Aquaculture Demonstration Facility from the budget.

Fiscal Effect:

Eliminates \$3 million in PR-supported bonding authority. [Beginning FY02, provide \$1.0 million for operating costs and \$300,000 annually for debt service.]

Provision #4

Agency:

University of Wisconsin Systems (Overseas feasibility study)

JFC Action:

The Joint Finance Committee approved funding for a market research and feasibility study relating to expanding UW-Milwaukee's programming and presence overseas. The committee specified that the study would not examine the purchase of overseas real estate.

MISL

Motion:

Eliminate the funding provided by the Joint Finance Committee for this study

Fiscal Effect:

This amendment would result in a reduction of \$250,000 GPR in 2000-01.

Provision #5

Agency:

Department of Workforce Development (Independent Development Accounts)

GMM

JFC Action:

The Joint Finance Committee approved the Governor's recommendation to provide \$650,000 in federal funding under the temporary assistance to needy families (TANF) program for individual development accounts (IDAs).

Motion:

This amendment deletes that funding.

Fiscal Effect:

The amendment would result in a reduction of \$1,300,000 FED over the biennium (\$650,000 in 1999-00 and \$650,000 in 2000-01).

Provision #6

Agency:

Department of Justice (Travel Expenses for Criminal Investigation)

JED

JFC Action:

JFC approved the Governor's motion to provide \$22,500 PR annually in Indian gaming receipts for travel expenses incurred by the Gaming Enforcement Bureau within the Division of Criminal Investigation. The Gaming Enforcement Bureau conducts investigations in Wisconsin's casinos.

Motion:

This amendment eliminates this PR funding from DOJ.

Fiscal Effect:

Deletes \$45,000 PR over the biennium (\$22,500 PR annually).

Provision #7

Agency:

Department of Natural Resources (DNR Overtime)

RCT

JFC Action:

The Joint Finance Committee approved Department of Natural Resources' operating budget, which includes \$256,700 GPR and \$1,849,500 SEG annually for overtime.

Motion:

This amendment deletes GPR funding for overtime hours from the DNR's operating budget.

Fiscal Effect:

Deletes \$513,400 GPR over the biennium. (\$256,700 GPR annually)

Provision #8

Agency:

Arts Board (High Point Fund)

PLT

JFC Action:

The Joint Finance Committee provided \$100,000 GPR annually in a new, annual appropriation for a grant to the Milwaukee Foundation, Inc. for deposit in the Foundation's High Point Fund. The Board would be required to annually pay the amount appropriated to the Foundation.

Motion:

This motion deletes funding for the High Point Fund.

Fiscal Effect:

Deletes \$200,000 GPR over the biennium. (\$100,000 GPR annually)

Provision #9

Agency:

Department of Health and Family Services (Dental Services)

DAK

JFC Action:

Included in the omnibus Medical Assistance (MA) motion adopted by the Joint Committee on Finance is a requirement that DHFS provide dental services for all MA HMO enrollees on a fee-for-service basis.

Motion:

The motion deletes the requirement that DHFS provide dental services for all Medical Assistance HMO enrollees on a fee-for-service basis.

Fiscal Effect:

According to the Legislative Fiscal Bureau, the motion would reduce GPR expenditures by \$192,000 and FED expenditures by \$276,500 over the biennium.

Provision #10

Agency:

Department of Health and Family Services (Behavioral Health Managed Care)

JAC

JFC Action

The Governor's budget provides \$50,000 (\$25,000 GPR and \$25,000 FED) in 1999-00 and \$240,000 (\$180,000 GPR and \$60,000 FED) in 2000-01 as one-time funding for DHFS and county startup costs for **two** demonstration projects beginning in 2000-01 to provide behavioral health services under managed care programs to persons who suffer from mental illness, alcohol or other drug dependency or both.

The Joint Committee on Finance modified the Governor's recommendations to provide an **additional \$180,000 GPR and \$60,000 FED in 2000-01** to fund start-up costs for **four** demonstration projects, based on the same time line established under the Governor's budget.

Motion:

The motion deletes the additional funding provided by the Joint Finance Committee and restores the Governor's proposal.

Fiscal Effect:

The motion reduces GPR expenditures by \$180,000 and FED expenditures by \$60,000.

Provision #11

Agency:

Budget and Compensation Reserves (Budget Reserve)

JTK

JFC Action

The Joint Committee on Finance approved the Governor's recommendation to increase the 1% statutory balance as follows:

<u>Fiscal Year</u>	<u>Percent</u>
2000-01	1.1%
2001-02	1.2
2002-03	1.4
2003-04	1.6
2004-05	1.8
2005-06 (and thereafter)	2.0

Motion:

The motion returns the 1.1% statutory balance in 2000-01 to 1% and does not increase the statutory balance in the subsequent years.

Fiscal Effect:

The motion would reduce GPR expenditures by \$11.1 million.

Provision #12

Agency:

Department of Health & Family Services (Appropriation Restructuring)

DAK

JFC Action:

Under current law, four separate appropriations fund the following programs in the DHFS – Division of Public Health: a) women's health; b) family planning; c) pregnancy counseling; and d) pregnancy outreach and infant health. The Governor's budget recommended consolidating these separate appropriations into a modified appropriation to support women and infant health services. The Joint Finance Committee maintained current law. In the 1999-2001 biennium, DHFS currently allocates \$1,955,200 GPR annually from the DHFS "family planning" appropriation.

Motion:

The motion would eliminate funding for the DHFS "family planning" appropriation and delete this appropriation in the chapter 20 schedule. Furthermore, specify that no state or federal matching funds can be expended for "family planning" services by any state or local unit of government, with the exception of medical assistance.

For maternal and child health services, the state can receive federal Title V matching grants in the amount of \$11.6 million. To receive these monies, the federal government requires a \$4.7 million base maintenance of effort. By eliminating \$3.9 million in family planning, we need to allocate additional GPR revenues toward maternal and child health programs to ensure that the state maintains its maintenance of effort requirement for Title V funding.

The motion specifies providing an additional \$350,000 GPR in the biennium for oral health programs for children. The Joint Finance Committee approved funding oral health programs at \$110,000 in 2000-01.

Fiscal Effect:

According to the Legislative Fiscal Bureau, the elimination of the "family planning" appropriation would reduce GPR spending by \$3,910,400. The oral health program would increase GPR spending by \$350,000. The net effect of the motion would be to reduce GPR spending by \$3,560,400.

DOA:.....Ziegler - General fund balance

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

STATE FINANCE

Current statutes contain a statement which states that “[n]o bill directly or indirectly affecting general purpose revenues ... may be enacted by the legislature if the bill would cause the estimated general fund balance on June 30 of any fiscal year ... to be an amount equal to less than one percent of the total general purpose revenue appropriations for that fiscal year plus any amount from general purpose revenue designated as “Compensation Reserves” for that fiscal year ...”.

This bill revises that statement, for fiscal years 2000-01 and thereafter, to change the reference to the percentage of the general fund balance as follows:

1. For fiscal year 2000-01, 1.1% of general purpose revenue (GPR) appropriations for that fiscal year.
2. For fiscal year 2001-02, 1.2% of GPR appropriations for that fiscal year.
3. For fiscal year 2002-03, 1.4% of GPR appropriations for that fiscal year.
4. For fiscal year 2003-04, 1.6% of GPR appropriations for that fiscal year.
5. For fiscal year 2004-05, 1.8% of GPR appropriations for that fiscal year.
6. For fiscal year 2005-06 and thereafter, 2% of GPR appropriations for that fiscal year.

Neither the current statutes nor the bill affects the power of the legislature and the governor to enact legislation.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 20.003 (4) of the statutes is renumbered 20.003 (4) (intro.) and
2 amended to read:

3 20.003 (4) REQUIRED GENERAL FUND BALANCE. (intro.) No bill directly or
4 indirectly affecting general purpose revenues as defined in s. 20.001 (2) (a) may be
5 enacted by the legislature if the bill would cause the estimated general fund balance
6 on June 30 of any fiscal year specified in this subsection, as projected under s. 20.005
7 (1), to be an amount equal to less than ~~one percent~~ the following percentage of the
8 total general purpose revenue appropriations for that fiscal year plus any amount
9 from general purpose revenue designated as "Compensation Reserves" for that fiscal
10 year in the summary under s. 20.005 (1);

11 SECTION 2. 20.003 (4) (a) to (g) of the statutes are created to read:

12 20.003 (4) (a) For fiscal year 1999–2000, 1%.

13 (b) For fiscal year 2000–01, 1.1%.

14 (c) For fiscal year 2001–02, 1.2%.

15 (d) For fiscal year 2002–03, 1.4%.

16 (e) For fiscal year 2003–04, 1.6%.

17 (f) For fiscal year 2004–05, 1.8%.

18 (g) For fiscal year 2005–06 and each fiscal year thereafter, 2%.

19 (END)

1999

Date (time) needed

soon

LRB b 0721 1 1

**CAUCUS BUDGET AMENDMENT
[ONLY FOR CAUCUS]**

RAC: King

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1
TO 1999 ASSEMBLY BILL 133**

>>FOR CAUCUS SUPERAMENDMENT — NOT FOR INTRODUCTION<<

At the locations indicated, amend the substitute amendment as follows:

✓ #. Page 84, line 19: *delete the material beginning with that line and ending with page 85, line 11.*

#. Page , line :

(END)

~~#. Page , line :~~

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~~#. Page , line :~~



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0721/1
RAC:kmg:ijs

ARC:.....Dake - Amendment #78 (11) Budget and Compensation Reserves
FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION
CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 133

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 84, line 19: delete the material beginning with that line and ending
- 3 with page 85, line 11.
- 4 (END)