

2007 DRAFTING REQUEST

Bill

Received: **03/01/2007**

Received By: **rchampag**

Wanted: **Soon**

Identical to LRB:

For: **Eugene Hahn (608) 266-3404**

By/Representing: **Mike**

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

Drafter: **rchampag**

May Contact:

Addl. Drafters:

Subject: **State Finance - bud generally**

Extra Copies:

Submit via email: **YES**

Requester's email: **Rep.Hahn@legis.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

General fund structural balance

Instructions:

Per discussion with Dave Lopenow at Fiscal Bureau, amend s. 20.003 (4m) to change requirement to 99% of Departmental Revenues.

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>
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/1	rchampag 03/01/2007	csicilia 03/02/2007	rschluet 03/05/2007	_____	lparisi 03/05/2007	lparisi 04/24/2007	

FE Sent For: **N/A**

<END>

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Handwritten initials and scribbles in the 'Typed' and 'Proofed' columns.

FE Sent For:

<END>

2116 99% of expected GPR

- Have DOA transfer excess
to Budget Stabilization Fund

- When BSF reaches 9% of
GPR revenues, legislature
must pass bill for
tax relief



D-Nate
State of Wisconsin
2007 - 2008 LEGISLATURE

LRB-2116/1

RAC: /.....

gjs

SEON

2007 BILL

- gen. cat.

1 AN ACT ...; **relating to:** limits on appropriations from general purpose revenues
 2 and requiring the secretary of administration to transfer certain moneys to the
 3 budget stabilization fund.

Analysis by the Legislative Reference Bureau

Current law, with exceptions, limits the amount of general purpose revenues (GPR) that may be appropriated in any fiscal biennium. The limit is tied to the annual percentage change in state aggregate personal income. Current law also prohibits the legislature from passing any bill that would cause GPR appropriations for any fiscal year to exceed GPR deposited in the general fund in that fiscal year. This bill prohibits the legislature from passing any bill that would cause GPR appropriations for any fiscal year to exceed 99 percent of the amount of GPR deposited in the general fund in that fiscal year. ✓

The bill also provides that if in any fiscal year the amount of GPR deposited in the general fund exceeds the amount of GPR that is appropriated, the secretary of administration must transfer to the budget stabilization fund all excess GPR, less any statutory balance required to be maintained in the general fund and any amount already transferred to the budget stabilization fund in that fiscal year.

Finally, the bill provides that if the balance of the budget stabilization fund on June 30 of a fiscal year is at least equal to 9 percent of the amount of GPR deposited in the general fund in that fiscal year, the legislature must pass a bill to provide that

nine

BILL

all moneys in the budget stabilization fund must be used for tax relief in the succeeding fiscal year.

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

Moved material from P. 3

1 **SECTION 1.** 13.40 of the statutes is repealed.

2 **SECTION 2.** 20.003 (4m) of the statutes is renumbered 20.003 (4m) (a) and
3 amended to read:

4 20.003 (4m) (a) No bill may be adopted by the legislature if the bill would cause
5 in any fiscal year the amount of moneys designated as "Total Expenditures" in the
6 summary under s. 20.005 (1) for that fiscal year, less any amounts transferred to the
7 budget stabilization fund in that fiscal year, to exceed 99 percent of the sum of the
8 amount of moneys designated as "Taxes" and "Departmental Revenues" in the
9 summary under s. 20.005 (1) for that fiscal year.

History: 1977 c. 29; 1979 c. 34; 1981 c. 1, 20; 1981 c. 314 s. 146; 1981 c. 390; 1983 a. 27, 212; 1985 a. 29, 76, 120; 1985 a. 135 s. 85; 1985 a. 332 s. 253; 1987 a. 27; 1989 a. 336; 1993 a. 16; 1995 a. 27; 1999 a. 9, 83; 2001 a. 16, 106, 109; 2003 a. 33; 2005 a. 2, 25.

10 **SECTION 3.** 20.003 (4m) (b) of the statutes is created to read:

11 20.003 (4m) (b) If in any fiscal year the sum of moneys deposited in the general
12 fund designated as "Taxes" and "Departmental Revenues" in the summary under s.
13 20.005 (1) for that fiscal year exceeds the moneys that are appropriated and
14 designated as "Total Expenditures" in the summary under s. 20.005 (1) for that fiscal
15 year, the secretary of administration shall transfer to the budget stabilization fund
16 all of the excess taxes and revenues, less any statutory balance required to be
17 maintained in the general fund under s. 20.003 (4) and any amount transferred to
18 the budget stabilization fund under s. 16.518 (3) (a).

19 **SECTION 4.** 20.003 (4m) (c) of the statutes is created to read:

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-2116/1dn

RAC:j:...

gjs

Wisconsin

This bill creates a rule of procedure under article IV, section 8, of the constitution. The Wisconsin Supreme Court has held that the remedy for noncompliance with this type of provision lies exclusively within the legislative branch. See *State ex rel. La Follette v. Stitt*, 114 Wis. 2d 358, 363-369 (1983). In other words, while this type of provision may be effective to govern internal legislative procedure, the courts will not enforce this type of provision, and this provision does not affect the validity of any enactment resulting from a procedure that may be viewed as contravening the provision.

Rick A. Champagne
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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2116/1dn
RAC:cjs:rs

March 5, 2007

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Rick A. Champagne
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Parisi, Lori

From: Austin, Michael
Sent: Tuesday, April 24, 2007 4:14 PM
To: LRB.Legal
Subject: Draft Review: LRB 07-2116/1 Topic: General fund structural balance

Please Jacket LRB 07-2116/1 for the ASSEMBLY.