



2011 SENATE BILL 114

May 31, 2011 – Introduced by Senators ZIPPERER, LEIBHAM, VUKMIR, CARPENTER, GALLOWAY and KAPANKE, cosponsored by Representatives KRAMER, BERNIER, ENDSLEY, FARROW, JACQUE, KAPENGA, KESTELL, KOOYENGA, LEMAHIEU, J. OTT, PETERSEN, PETRYK, RIVARD, SPANBAUER, STEINEKE, STRACHOTA, THIESFELDT and WYNN. Referred to Committee on Judiciary, Utilities, Commerce, and Government Operations.

- 1 **AN ACT** *to create* 13.102, 13.39 and 13.95 (1r) of the statutes; **relating to:**
2 legislative consideration of a biennial budget bill.

Analysis by the Legislative Reference Bureau

This bill makes the following changes relating to consideration of biennial budget bills:

Earmark transparency report

The bill requires the Legislative Fiscal Bureau (LFB) to prepare an earmark transparency report on each biennial budget bill and on each amendment thereto. The report must contain all of the following: a list of all earmarks; the cost of each earmark; and the beneficiary of each earmark. If the beneficiary is an individual, LFB must identify the assembly and senate district in which the beneficiary resides. If the beneficiary is an entity, LFB must identify the assembly and senate district in which the beneficiary is located, incorporated, or organized. With respect to an amendment to a biennial budget bill, LFB must identify the representative to the assembly or senator who proposed the earmark.

Joint Committee on Finance consideration of biennial budget bill

The bill provides that the Joint Committee on Finance may not vote to recommend passage of a biennial budget bill or an amendment thereto until LFB has distributed a copy of the earmark transparency report to each member of the legislature and has made the report available on the legislature's Internet Web site.

Senate and assembly consideration of biennial budget bill

The bill provides that neither house of the legislature may pass a biennial budget bill until LFB has distributed a copy of the earmark transparency report on

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the biennial budget bill, as amended, to each member of the legislature and has made the report available on the legislature's Internet Web site. The bill further provides that, if a committee of conference is convened on a biennial budget bill, a conference report may not contain any earmark that was not included in the executive budget bill or an amendment thereto that was passed by either house of the legislature but may reduce any earmark that was so included.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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

1 **SECTION 1.** 13.102 of the statutes is created to read:

2 **13.102 Joint committee on finance; consideration of biennial budget**

3 **bill. (1)** The joint committee on finance may not vote to recommend passage of a
4 biennial budget bill or an amendment thereto until the legislative fiscal bureau has
5 distributed a copy of an earmark transparency report on the biennial budget bill, as
6 amended, prepared under s. 13.95 (1r) (b), to each member of the legislature and has
7 made the report available on the legislature's Internet Web site.

8 **(2)** If a member of the joint committee on finance makes a motion during
9 committee deliberations on a biennial budget bill to remove an earmark, as defined
10 in s. 13.95 (1r) (a), from the biennial budget bill, the motion shall prevail on either
11 a majority or a tie vote.

12 **SECTION 2.** 13.39 of the statutes is created to read:

13 **13.39 Legislative consideration of biennial budget bill. (1)** Neither
14 house of the legislature may pass a biennial budget bill until the legislative fiscal
15 bureau has distributed a copy of an earmark transparency report on the biennial
16 budget bill, as amended, prepared under s. 13.95 (1r) (b), to each member of the
17 legislature and has made the report available on the legislature's Internet Web site.

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1 **(2)** If a committee of conference is convened on a biennial budget bill, a
2 conference report may not contain any earmark, as defined in s. 13.95 (1r) (a), that
3 was not included in the executive budget bill or an amendment thereto that was
4 passed by either house of the legislature. The committee of conference, however, may
5 reduce the amount of any earmark that requires a payment to a specific beneficiary
6 or beneficiaries or may reduce the cost to the state of any earmark that is a tax
7 deduction, credit, exclusion, or exemption.

8 **SECTION 3.** 13.95 (1r) of the statutes is created to read:

9 **13.95 (1r) EARMARK TRANSPARENCY REPORT.** (a) In this subsection, “earmark”
10 means a provision in a bill or amendment that does any of the following:

11 1. Authorizes or requires the payment of state moneys to a specific beneficiary
12 or beneficiaries in a manner not determined by laws of general applicability for the
13 selection of the beneficiary or beneficiaries.

14 2. Creates or modifies a tax deduction, credit, exclusion, or exemption that
15 applies to a specific beneficiary or beneficiaries in a manner not determined by laws
16 of general applicability for the selection of the beneficiary or beneficiaries.

17 (b) The legislative fiscal bureau shall prepare an earmark transparency report
18 on each biennial budget bill and on each amendment thereto. The report shall
19 contain all of the following:

20 1. A list of all earmarks.

21 2. The cost of each earmark.

22 3. The beneficiary of each earmark. If the beneficiary is an individual, the
23 legislative fiscal bureau shall identify the assembly and senate district in which the
24 beneficiary resides. If the beneficiary is an entity, the legislative fiscal bureau shall
25 identify the assembly and senate district in which the beneficiary is located,

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1 incorporated, or organized. If the legislative fiscal bureau cannot determine the
2 identity of a beneficiary, the legislative fiscal bureau shall note that fact in the report.
3 If the earmark is a tax deduction, credit, exclusion, or exemption, all of the following
4 shall apply:

5 a. All businesses and associations that are members of the same controlled
6 group of corporations shall be treated as a single beneficiary.

7 b. All shareholders of a corporation, partners of a partnership, members of an
8 association or organization, or beneficiaries of a trust or estate, respectively, shall be
9 treated as a single beneficiary.

10 c. All employees of a single employer shall be treated as a single beneficiary.

11 d. All health or other benefit plans of an employer that are qualified under the
12 federal Internal Revenue Code shall be treated as a single beneficiary.

13 e. All contributors to a charitable organization shall be treated as a single
14 beneficiary.

15 f. All holders of the same bond or note issue shall be treated as a single
16 beneficiary.

17 g. If a corporation, partnership, association or organization, or trust or estate
18 is the beneficiary, the shareholders of the corporation, the partners of the
19 partnership, the members of the association or organization, or the beneficiaries of
20 the trust or estate shall not be considered beneficiaries.

21 4. If an amendment, the name of the representative to the assembly or senator
22 who proposed the earmark.

23 (END)