

2019 DRAFTING REQUEST

Bill

For: Rick Gundrum (608) 264-8486 Drafter: mshovers  
 By: Mark Secondary Drafters:  
 Date: 4/3/2019 May Contact:  
 Same as LRB: -2688

Submit via email: YES  
 Requester's email: Rep.Gundrum@legis.wisconsin.gov  
 Carbon copy (CC) to: eric.mueller@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Allow local governments, including 1st class cities and counties with a 1st class city, to adopt biennial budgeting

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mshovers 4/4/2019	anienaja 4/5/2019			
/1			mbarman 4/5/2019	dwalker 4/17/2019	Local

FE Sent For: *2*  
*at*  
*intro*

<END>

## Shovers, Marc

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**From:** Radcliffe, Mark  
**Sent:** Wednesday, April 03, 2019 1:06 PM  
**To:** Shovers, Marc  
**Cc:** Cosh, Bill  
**Subject:** Bill Draft Request - Biennial Budgeting Option for Local Governments

Hi Marc,

Rep. Gundrum would like to have legislation drafted that allows local governments (cities, counties, villages and towns) to voluntarily adopt a biennial budgeting process, which would provide an alternative to the annual budgeting process that currently applies to political subdivisions.

The specific sections of the statutes we would be seeking to modify in creating this mechanism are s. 65.90 (the budgeting procedure for all cities, counties, villages and towns outside of the City of Milwaukee and Milwaukee County), s. 59.60 (the budgeting procedure for Milwaukee County) and ss. 65.01-65.20 (the budgeting procedure for the City of Milwaukee).

In addition to providing a biennial budgeting option in the aforementioned sections of the statutes, we would like to provide a budget reconciliation/repair period in the second year of the biennium, to accommodate for the fact that the property tax levy would still need to be adopted annually. We would like this budget amendment period to apply to October and November of the even-numbered year, with adjustments to appropriation or revenue amounts being allowed through a simple majority vote of the governing body. This provision would be similar to language found in Section 63 of 2017 Senate Bill 777 (Page 38, Lines 13-24 – paragraph (f)).

Next, we would like to specify that the governing body of a local government that adopts a biennial budget may, at any time, decrease an appropriation amount. Alternatively, the governing body may designate a committee (e.g., the finance or executive committee) to decrease appropriation amounts in the biennial budget.

We would also like to allow local governments who adopt a biennial budget procedure to return to an annual budget procedure through a two-thirds vote of the governing body, via resolution/ordinance.

Sen. Kooyenga will be taking the lead on this legislation in the Senate, which is why I have copied his staff member, Bill Cosh, to this email. Therefore, we will eventually be instructing you to draft the Senate companion for Sen. Kooyenga's office.

Please do not hesitate to let me know if you need additional clarification on any of the instructions I have provided.

Thank you in advance,

Mark Radcliffe

Office of Rep. Rick Gundrum  
58<sup>th</sup> Assembly District | Room 304 North  
608.264.8486



State of Wisconsin  
2019 - 2020 LEGISLATURE

-2655/1

LRB-CL35/L  
MES:amn&wlj

RMR

2019 BILL

Fri. am.  
(H)

ofn

1 AN ACT to renumber 59.60 (2) (a); to amend 59.53 (6) (a) 2., 59.54 (27) (a), 59.60  
2 (4) (intro.), 59.60 (4) (a), 59.60 (4) (b), 59.60 (5) (intro.), 59.60 (5) (a), 59.60 (6)  
3 (b) 2., 59.60 (6) (b) 3., 59.60 (6) (c), 59.60 (7), 59.60 (8) (a), 59.60 (10), 65.01, 65.02  
4 (5) (intro.), 65.02 (6) (a), 65.02 (6) (b) (intro.), 65.02 (8) (intro.), 65.02 (10), 65.02  
5 (11), 65.03 (1), 65.04 (1), 65.04 (2), 65.04 (4), 65.04 (5), 65.05 (4), 65.05 (5), 65.05  
6 (8), 65.05 (9), 65.06 (1), 65.06 (5) (intro.), 65.06 (14), 65.06 (15), 65.20 (1) (a),  
7 65.20 (1) (b), 65.20 (1) (c), 65.20 (1) (d), 65.20 (1) (e), 65.20 (1) (g), 65.20 (1) (h),  
8 65.90 (1), 65.90 (2), 65.90 (3) (a) (intro.), 65.90 (3) (a) 1., 65.90 (3) (b) (intro.),  
9 65.90 (3) (bm), 65.90 (4), 65.90 (5) (a), 65.90 (5) (b) and 65.90 (6) (intro.); and to  
10 create 59.60 (2) (ae), 59.60 (3s), 65.02 (5m), 65.025, 65.90 (1m) and 65.90 (5) (c)  
11 of the statutes; relating to: authorizing a biennial budget procedure for  
12 political subdivisions.

**Analysis by the Legislative Reference Bureau**

This bill authorizes political subdivisions to adopt and use a biennial budgetary procedure. The bill applies to cities, including a first class city (presently only

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Milwaukee), villages, towns, and counties. If a political subdivision decides to adopt a biennial budget, it must adopt the budget in an odd-numbered year. Generally, a political subdivision that adopts such a budget must follow the same current law procedures regarding public hearings, the contents of budget summaries, and information regarding expected revenues and expenditures that it would be required to follow if it adopted an annual budget. A political subdivision that adopts a biennial budget procedure may decide to return to adopting an annual budget procedure.

Current law specifies a particular annual budgetary procedure that is required for counties with a population of 750,000 or more, although current law authorizes any other county with a county executive or county administrator to use those particular procedures as well. Under the bill, such larger counties may also adopt a biennial budget, and may return to an annual budget. Similarly, current law also specifies a particular budget procedure for first class cities, which other cities may also use. Current law also authorizes a first class city to adopt an executive budget system, under which the mayor performs budget preparation functions otherwise performed by the city's board of estimates. Under the bill, any first class city may use the biennial budget process as its budget method.

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

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

1           **SECTION 1.** 59.53 (6) (a) 2. of the statutes is amended to read:

2           59.53 (6) (a) 2. If on June 1, 1989, a county has 1.0 or more full-time equivalent  
3 attorney positions that have primary responsibility for handling cases described in  
4 par. (b), as determined by the district attorney of the prosecutorial unit, the county  
5 shall establish and maintain a support enforcement office consisting of support  
6 enforcement attorneys and office personnel. In counties having a population of less  
7 than 750,000, a county budget under s. 65.90 shall list the proposed appropriation  
8 under s. 65.90 (2) for the support enforcement office separate from any other office,  
9 department or activity. In counties having a population of 750,000 or more, a county  
10 budget shall treat a support enforcement office as a department, as defined in s.  
11 59.60 (2) (a) (as), separate from all other departments, and administered by the  
12 county executive. If a county ceases to employ 1.0 or more full-time equivalent

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1 attorney positions in the office, the county may provide support enforcement under  
2 subd. 1.

3 **SECTION 2.** 59.54 (27) (a) of the statutes is amended to read:

4 59.54 (27) (a) *Definition.* In this subsection, “board” includes any department,  
5 as defined in s. 59.60 (2) (a) (as).

6 **SECTION 3.** 59.60 (2) (a) of the statutes is renumbered 59.60 (2) (as).

7 **SECTION 4.** 59.60 (2) (ae) of the statutes is created to read:

8 59.60 (2) (ae) “Budget period” means 2 consecutive fiscal years covered by a  
9 biennial budget adopted by a county that has acted under sub. (3s), or an annual  
10 budget for any other county that has not acted to adopt a biennial budget under sub.  
11 (3s).

12 **SECTION 5.** 59.60 (3s) of the statutes is created to read:

13 59.60 (3s) BIENNIAL BUDGET PROCEDURES. (a) A county with a population of  
14 750,000 or more may adopt a biennial budget by implementing the procedures under  
15 this subsection and using the procedures under this section. If a county chooses to  
16 adopt a biennial budget, it shall adopt such a budget in an odd-numbered year for  
17 the next 2 fiscal years that follow immediately the year in which the budget is  
18 adopted.

19 (b) For a county to proceed under this subsection, the board must adopt a  
20 resolution or enact an ordinance stating its intent to adopt a biennial budget. Once  
21 a resolution is adopted or an ordinance is enacted, such an action takes effect, and  
22 may not be reconsidered or repealed, except as provided in par. (c).

23 (c) A board that has adopted a biennial budget procedure as provided in this  
24 subsection may return to the use of an annual budget procedure if the board, by a

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1 two-thirds majority vote, adopts a resolution or enacts an ordinance stating its  
2 intent to adopt an annual budget.

3 (d) A board or a committee authorized by the board may, at any time, decrease  
4 appropriation amounts in a biennial budget.

5 (e) In October or November of an even-numbered year, the board may change  
6 any appropriation or revenue amount in relation to the 2nd year of the biennial  
7 budget by a simple majority vote of the members-elect.

8 **SECTION 6.** 59.60 (4) (intro.) of the statutes is amended to read:

9 59.60 (4) SUBMISSION OF ANNUAL BUDGET REQUESTS. (intro.) On or before the date  
10 that the director specifies, but not later than July 15, each department shall  
11 annually submit to the director in the form that the director specifies:

12 **SECTION 7.** 59.60 (4) (a) of the statutes is amended to read:

13 59.60 (4) (a) The department's estimated revenues and expenditures for the  
14 ensuing fiscal year for the ensuing budget period.

15 **SECTION 8.** 59.60 (4) (b) of the statutes is amended to read:

16 59.60 (4) (b) The estimated cost of any capital improvements pending or  
17 proposed for the ensuing fiscal year and for the next ~~4~~ 5 fiscal years.

18 **SECTION 9.** 59.60 (5) (intro.) of the statutes is amended to read:

19 59.60 (5) COMPILATION OF BUDGET REQUESTS. (intro.) Not later than August 15  
20 of each the year in which the budget is enacted, the director shall submit to the  
21 county executive or county administrator and to the board:

22 **SECTION 10.** 59.60 (5) (a) of the statutes is amended to read:

23 59.60 (5) (a) The annual budget estimates of each department.

24 **SECTION 11.** 59.60 (6) (b) 2. of the statutes is amended to read:

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1           59.60 (6) (b) 2. A comparative statement by organization unit and principal  
2 object of expenditure showing the actual expenditures of the preceding fiscal year,  
3 the appropriations and estimated expenditures for the fiscal year currently ending,  
4 and the recommended appropriations for the ~~fiscal year~~ budget period next  
5 succeeding.

6           **SECTION 12.** 59.60 (6) (b) 3. of the statutes is amended to read:

7           59.60 (6) (b) 3. A comparative statement of the actual revenues from all sources  
8 including property taxes during the preceding fiscal year, the anticipated revenues  
9 and the estimated revenues for the fiscal year currently ending, and the anticipated  
10 revenues for the ~~fiscal year~~ budget period next succeeding including any surplus  
11 from the preceding fiscal year not otherwise appropriated under sub. (9).

12           **SECTION 13.** 59.60 (6) (c) of the statutes is amended to read:

13           59.60 (6) (c) The anticipated revenues for the ~~fiscal year~~ budget period next  
14 succeeding shall be equal in amount to the recommended appropriations.

15           **SECTION 14.** 59.60 (7) of the statutes is amended to read:

16           59.60 (7) PUBLICATION OF BUDGET AND PUBLIC HEARING. The board shall refer the  
17 executive's or administrator's budget to the finance committee and such committee  
18 shall publish as a class 1 notice, under ch. 985, a summary of the executive's or  
19 administrator's budget ~~and comparative figures together with a statement of the~~  
20 ~~county's bonded indebtedness,~~ in the 2 daily newspapers having the largest  
21 circulation in the county, and shall make available to the general public reprinted  
22 copies of the summary as published. The publication shall also state the date, hour,  
23 and place of the public hearing to be held by the board on such executive's or  
24 administrator's budget. The board shall, not less fewer than 14 days after  
25 publication of the summary of the executive's or administrator's budget, but not later

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1 than the first Monday in November of each year budget period and prior to the  
2 adoption of the property tax levy, hold a public hearing on such executive's or  
3 administrator's budget, at which time citizens may appear and express their  
4 opinions. After such public hearing, ~~and on or before the annual meeting,~~ the finance  
5 committee shall submit to the board its recommendations for amendments to the  
6 executive's or administrator's budget, if any, and the board shall adopt the budget  
7 with such changes as it considers proper and advisable. Subject to sub. (7e), the  
8 board of a county with a population of at least 750,000 may not adopt a budget in  
9 which the total amount of budgeted expenditures related to the compensation of  
10 county board members, and to any other costs that are directly related to the  
11 operation and functioning of the county board, including staff, is greater than 0.4  
12 percent of the county portion of the tax levy for that year to which the budget applies.  
13 When so adopted, the sums provided shall, subject to the provisions of sub. (8),  
14 constitute legal appropriations and anticipated revenues for the ensuing year.

15 **SECTION 15.** 59.60 (8) (a) of the statutes is amended to read:

16 59.60 (8) (a) At the request of the head of any department, and after receiving  
17 the recommendation of the county executive or county administrator, the finance  
18 committee may, at any time during the ~~fiscal year~~ budget period, transfer any  
19 unencumbered appropriation balance or portion thereof between principal objects of  
20 expenditures within a department; but no transfers shall be made of appropriations  
21 originating from bond funds unless the purpose for which the bonds were issued has  
22 been fulfilled or abandoned. If the county executive or county administrator fails to  
23 make a recommendation within 10 days after the submission of a request for  
24 transfer, the finance committee may act upon the request without his or her  
25 recommendation. If more than one department is under the jurisdiction of the same



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1 board or commission or under the same general management, the group of  
2 departments may be considered as though they were a single unit with respect to  
3 transfers of appropriations within the group.

4 **SECTION 16.** 59.60 (10) of the statutes is amended to read:

5 59.60 (10) ORDINANCE INCREASING SALARIES; NEW POSITIONS; WHEN EFFECTIVE. No  
6 ordinance or resolution authorizing the creation of new or additional positions or  
7 increasing salaries shall become effective in any ~~fiscal year~~ budget period until an  
8 appropriation of funds for such purpose is made or the ordinance or resolution  
9 contains a provision for the transfer of funds if required. All such ordinances or  
10 resolutions which do not require an appropriation or transfer of funds shall state  
11 therein the specific account or accounts in which funds are available for such  
12 purposes.

13 **SECTION 17.** 65.01 of the statutes is amended to read:

14 **65.01 Application of this chapter.** The common council of any city of the  
15 2nd, 3rd, or 4th class may by ordinance adopted by three-fourths of all its members  
16 accept the provisions of ss. 65.02, 65.025, 65.03 and 65.04 which when so accepted  
17 shall be in full force and effect as to any such city. Except as above provided ss. 65.01  
18 to 65.20 shall apply only to cities of the 1st class.

19 **SECTION 18.** 65.02 (5) (intro.) of the statutes is amended to read:

20 65.02 (5) BUDGET. (intro.) The budget shall provide a complete financial plan  
21 for the ensuing ~~fiscal year~~ budget period. It shall contain in tabular form, for each  
22 fiscal year:

23 **SECTION 19.** 65.02 (5m) of the statutes is created to read:

24 65.02 (5m) BUDGET PERIOD. In ss. 65.01 to 65.20, "budget period" means 2  
25 consecutive fiscal years covered by a biennial budget adopted by a city that has acted

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1 under s. 62.025, or an annual budget for any other city that has not acted to adopt  
2 a biennial budget under s. 65.025.

3 **SECTION 20.** 65.02 (6) (a) of the statutes is amended to read:

4 65.02 (6) (a) ~~The~~ For a budget period, the budget summary shall itemize the  
5 principal sources of anticipated revenues and shall state separately the amount to  
6 be raised by property tax, and the proposed expenditures of each department,  
7 bureau, board and commission in such manner as to present to the public a simple  
8 and clear summary of the detailed estimates of the budget.

9 **SECTION 21.** 65.02 (6) (b) (intro.) of the statutes is amended to read:

10 65.02 (6) (b) (intro.) ~~The~~ For a budget period, the budget summary shall also  
11 include all of the following:

12 **SECTION 22.** 65.02 (8) (intro.) of the statutes is amended to read:

13 65.02 (8) PROPOSED EXPENDITURES. (intro.) ~~Separate provision~~ For a budget  
14 period, separate provisions shall be included in the proposed budget for at least:

15 **SECTION 23.** 65.02 (10) of the statutes is amended to read:

16 65.02 (10) PROPOSED EXPENDITURES; COMPARISON WITH OTHER YEARS. The board  
17 of estimates shall direct that there be placed opposite the several items of proposed  
18 expenditures for the ensuing year budget period, adequate comparisons with the  
19 budgets and expenditures of other years.

20 **SECTION 24.** 65.02 (11) of the statutes is amended to read:

21 65.02 (11) ANTICIPATED REVENUES; COMPARISON WITH OTHER YEARS. The board of  
22 estimates shall direct that there be placed opposite the several items of anticipated  
23 revenues for the ensuing year budget period, adequate comparisons with the  
24 anticipated revenues and receipts of other years.

25 **SECTION 25.** 65.025 of the statutes is created to read:

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1           **65.025 Biennial budget procedures.** (1) A city may adopt a biennial budget  
2 by implementing the procedures under this section and using the procedures under  
3 ss. 65.02 to 65.20. If a city chooses to adopt a biennial budget, it shall adopt such a  
4 budget in an odd-numbered year for the next 2 fiscal years that follow immediately  
5 the year in which the budget is adopted.

6           (2) For a city to proceed under this section, the common council must adopt a  
7 resolution or enact an ordinance stating its intent to adopt a biennial budget. Once  
8 a resolution is adopted or an ordinance is enacted, such an action takes effect, and  
9 may not be reconsidered or repealed, except as provided in sub. (3).

10           (3) A common council that has adopted a biennial budget procedure as provided  
11 in this section may return to the use of an annual budget procedure if the common  
12 council, by a two-thirds majority vote, adopts a resolution or enacts an ordinance  
13 stating its intent to adopt an annual budget.

14           (4) A common council or a committee authorized by the common council may,  
15 at any time, decrease appropriation amounts in a biennial budget.

16           (5) In October or November of an even-numbered year, the common council  
17 may change any appropriation or revenue amount in relation to the 2nd year of the  
18 biennial budget by a simple majority vote of the members-elect, as that term is  
19 defined in s. 59.001 (2m).

20           **SECTION 26.** 65.03 (1) of the statutes is amended to read:

21           65.03 (1) It shall be the duty of each department to file with the secretary of  
22 the board of estimates not later than August 1 of each year on forms approved by the  
23 board of estimates an estimate in detail of the department's needs for the ensuing  
24 fiscal year, including a statement of any permanent improvements to be made and  
25 an estimate of expenditures therefor, and including such information supplied in

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1 such form as the board of estimates may direct. If the city is using biennial  
2 budgeting, the forms described in this subsection shall also detail the changes  
3 between the first and 2nd year of the biennium.

4 **SECTION 27.** 65.04 (1) of the statutes is amended to read:

5 65.04 (1) MEETING; REPORT OF ESTIMATES. The board of estimates shall meet not  
6 later than September 10 of each year. The secretary shall place before the board the  
7 reports of estimates filed with the secretary by the departments together with the  
8 comptroller's statement of anticipated revenues for the ensuing year budget period,  
9 or the 2nd year of a biennium in an even-numbered year, and the adequate  
10 comparisons with other years as provided in s. 65.02 (5) to (11). The budget summary  
11 shall be published forthwith in at least one and not more than 2 daily newspapers  
12 having the largest circulation in the city as a class 1 notice, under ch. 985, and in the  
13 proceedings of the common council; and a copy of the entire proposed budget shall  
14 be available for public inspection in the office of the city comptroller.

15 **SECTION 28.** 65.04 (2) of the statutes is amended to read:

16 65.04 (2) PROPOSED BUDGET; PUBLICATION OF SUMMARY. From the estimates before  
17 it the board shall make and submit to the common council, on or before October 25  
18 each year budget period, a proposed budget setting forth in detail the amounts  
19 proposed to be spent by each department and the various purposes therefor and the  
20 amounts of money for each purpose it is proposed shall be appropriated by the  
21 council. The proposed budget shall comply with s. 65.02 (5) to (11). The budget  
22 summary shall be published forthwith in at least one and not more than 2 daily  
23 newspapers having the largest circulation in the city as a class 1 notice, under ch.  
24 985, and the proposed budget summary shall be printed forthwith in the proceedings  
25 of the common council. If any department fails to file its estimates as herein provided

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1 the board shall make a proposed budget for such department specifying the purposes  
2 for which and the amount of funds such department may expend.

3 **SECTION 29.** 65.04 (4) of the statutes is amended to read:

4 65.04 (4) CONTINGENT FUND. In addition to the purposes required to be set forth  
5 in detail the board may provide a contingent fund for such sum as they may deem  
6 reasonably necessary for emergency and other purposes that may arise during the  
7 year budget period requiring the expenditure of money in addition to the sums  
8 provided for the several purposes, and for purposes for which no express provision  
9 is made in the budget.

10 **SECTION 30.** 65.04 (5) of the statutes is amended to read:

11 65.04 (5) BONDS; MORTGAGE CERTIFICATES. The board shall also include in its  
12 budget the amount of bonds, the purposes therefor, and the required mortgage  
13 certificates to be issued during the ~~fiscal year~~ budget period, except such bonds as  
14 are authorized to be omitted by express provision of law.

15 **SECTION 31.** 65.05 (4) of the statutes is amended to read:

16 65.05 (4) The For each budget period, the common council, on or before  
17 November 14, shall adopt the proposed budget by a majority vote of all the  
18 alderpersons either as submitted or as changed by the council. It shall not be  
19 necessary to refer the budget to a committee of the common council.

20 **SECTION 32.** 65.05 (5) of the statutes is amended to read:

21 65.05 (5) The budget submitted by the board to the council as changed by the  
22 council within the time therein provided shall constitute the budget of the city for the  
23 following year budget period whether or not any formal resolution or motion  
24 adopting it has been passed by the common council. Within 5 days either after its

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1 formal adoption by the council or by operation of law it shall be certified by the city  
2 clerk to the mayor for the mayor's approval.

3 **SECTION 33.** 65.05 (8) of the statutes is amended to read:

4 65.05 (8) The Except as provided in s. 65.025 (5), the adoption of the budget  
5 shall determine the amount of money to be levied upon all taxable property in the  
6 city for the ensuing year budget period. The tax levy shall be computed by deducting  
7 the surplus and miscellaneous revenues available therefor from the appropriations  
8 for expenditures for the ensuing year. The city comptroller shall then certify the  
9 necessary taxes to be levied to the commissioner of assessments, who shall calculate  
10 the tax rate. Such tax rate shall be the rate of the ensuing tax levy.

11 **SECTION 34.** 65.05 (9) of the statutes is amended to read:

12 65.05 (9) The compensation rates of pay and the number of positions  
13 established in the budget shall determine the compensation to be paid and the  
14 number of positions for the ensuing fiscal year budget period except that additional  
15 positions may be established where necessary during the year by resolution adopted  
16 by three-fourths vote of all the alderpersons.

17 **SECTION 35.** 65.06 (1) of the statutes is amended to read:

18 65.06 (1) No Except as provided in s. 65.025 (5), no money may be expended and  
19 no liabilities incurred by the city or any department unless otherwise specially  
20 authorized by law during the fiscal year budget period, in excess of the amounts  
21 specified or except as hereinafter provided for any other purpose than as designated  
22 therein, provided, however, that whenever the city department that is responsible  
23 for a water system desires to make a contract extending over a period of more than  
24 one year for additions to the plant in excess of the estimated revenue for the year  
25 budget period, if in the opinion of the board of estimates there will be money available

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1 to meet the payments on the contract as they may come due, then, by a majority vote  
2 of the board, they may authorize the comptroller to countersign such contract.

3 **SECTION 36.** 65.06 (5) (intro.) of the statutes is amended to read:

4 65.06 (5) (intro.) No department shall spend a greater sum than is  
5 appropriated by the budget for that department except as provided in s. 65.025 (5)  
6 and except:

7 **SECTION 37.** 65.06 (14) of the statutes is amended to read:

8 65.06 (14) The adoption of the budget for any year budget period shall not  
9 authorize the expenditure of any funds for the succeeding year budget period except  
10 for indebtedness incurred during the budget year.

11 **SECTION 38.** 65.06 (15) of the statutes is amended to read:

12 65.06 (15) All funds subject to the control of the common council assigned by  
13 the budget to a department not expended during the budget year period and not  
14 reserved for indebtedness incurred during the year budget period shall revert to the  
15 general revenues of the city.

16 **SECTION 39.** 65.20 (1) (a) of the statutes is amended to read:

17 65.20 (1) (a) The functions of the board of estimates relating to the preparation  
18 of the city budget are permanently transferred to the mayor who shall prepare the  
19 proposed budget and present it to the common council. The budget presented by the  
20 mayor shall be called the "executive budget" and its contents shall comply with the  
21 requirements of ss. 65.02 to 65.04 in all respects, consistent with any variation that  
22 is necessary due to the common council having adopted a biennial budget procedure  
23 under s. 65.025.

24 **SECTION 40.** 65.20 (1) (b) of the statutes is amended to read:

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1           65.20 (1) (b) Each department shall submit to the mayor not later than the 2nd  
2 Tuesday in May of each year budget period on forms approved by the budget director  
3 an estimate in detail of the department's needs for the ensuing fiscal year budget  
4 period, including a statement of any permanent improvements to be made and an  
5 estimate of expenditures therefor, and including such information supplied in such  
6 form as the mayor requests.

7           **SECTION 41.** 65.20 (1) (c) of the statutes is amended to read:

8           65.20 (1) (c) Any department whose funds are not subject to the control of the  
9 common council may include in its estimate such sum as it deems reasonably  
10 necessary for a contingent fund for emergency purposes or other purposes which may  
11 arise during the year budget period requiring the expenditure of money in addition  
12 to the sums provided for the several purposes or for purposes for which no express  
13 provision is made in the budget.

14           **SECTION 42.** 65.20 (1) (d) of the statutes is amended to read:

15           65.20 (1) (d) The mayor shall hold hearings with respect to departmental  
16 requests at the times and places the mayor or the common council, by ordinance,  
17 directs. All hearings shall be open to the public. The mayor shall conduct the  
18 hearings in the manner in which the mayor determines best suited to fulfilling the  
19 purpose of the hearings. The For each budget period, the mayor shall prepare a  
20 requested budget summary which shall be published at least once prior to the  
21 commencement of the hearings in the newspaper having the largest circulation in  
22 the city. A complete copy of the entire requested budget shall be made available for  
23 public inspection in the office of the city clerk.

24           **SECTION 43.** 65.20 (1) (e) of the statutes is amended to read:



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1           65.20 (1) (e) From the estimates before him or her, the mayor shall make and  
2 submit to the common council, on or before September 28 each year budget period,  
3 a proposed budget setting forth in detail the amounts proposed to be spent by each  
4 department and the various purposes therefor and the amounts of money for each  
5 purpose it is proposed shall be appropriated by the council. The proposed budget  
6 shall comply with s. 65.02 (5) to (11). The proposed budget summary shall be  
7 published forthwith in at least one and not more than 2 daily newspapers having the  
8 largest circulation in the city as a class 1 notice, under ch. 985, and the proposed  
9 budget summary shall be printed forthwith in the proceedings of the common  
10 council. A complete copy of the entire proposed budget shall be made available for  
11 inspection in the office of the city clerk. If any department fails to file its estimates  
12 as provided in this section, the mayor shall make a proposed budget for the  
13 department specifying the purposes for which and the amount of funds the  
14 department may expend.

15           **SECTION 44.** 65.20 (1) (g) of the statutes is amended to read:

16           65.20 (1) (g) In addition to the purposes required to be set forth in detail, the  
17 mayor may provide a contingent fund for such sum as the mayor deems reasonably  
18 necessary for emergency and other purposes that may arise during the year budget  
19 period requiring the expenditure of money in addition to the sums provided for the  
20 several purposes, and for purposes for which no express provision is made in the  
21 budget.

22           **SECTION 45.** 65.20 (1) (h) of the statutes is amended to read:

23           65.20 (1) (h) The mayor shall also include in the proposed budget the amount  
24 of bonds and the purposes for them, to be issued during the fiscal year budget period,  
25 except such bonds as are authorized to be omitted by express provision of law. Bonds

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1 authorized to be omitted include bonds issued for the purpose of refunding prior  
2 indebtedness of the city.

3 **SECTION 46.** 65.90 (1) of the statutes is amended to read:

4 65.90 (1) Unless otherwise provided, in this section, "municipality" means each  
5 county other than counties having a population of 750,000 or more, each city,  
6 excepting cities of the 1st class, village, town, school district, technical college district  
7 and all other public bodies that have the power to levy or certify a general property  
8 tax or budget. ~~Every~~ Except as provided in sub. (1m), every municipality shall  
9 annually, prior to the determination of the sum to be financed in whole or in part by  
10 a general property tax, funds on hand or estimated revenues from any source,  
11 formulate a budget and hold public hearings thereon.

12 **SECTION 47.** 65.90 (1m) of the statutes is created to read:

13 65.90 (1m) (a) 1. For purposes of adopting and implementing a biennial budget  
14 as described in this subsection, "municipality" means a county other than a county  
15 having a population of 750,000 or more; a city other than a city of the 1st class; a  
16 village; or a town.

17 2. A municipality may adopt a biennial budget by implementing the procedures  
18 under this subsection and using the procedures under this section. If a municipality  
19 chooses to adopt a biennial budget, it shall adopt such a budget in an odd-numbered  
20 year for the next 2 fiscal years that follow immediately the year in which the budget  
21 is adopted.

22 3. For any municipality to proceed under this subsection, the governing body  
23 of the municipality must adopt a resolution or enact an ordinance stating its intent  
24 to adopt a biennial budget. Once a resolution is adopted or an ordinance is enacted,

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1 such an action takes effect and may not be reconsidered or repealed, except as  
2 provided in subd. 4.

3 4. The governing body of a municipality that has adopted a biennial budget  
4 procedure as provided in this subsection may return to the use of an annual budget  
5 procedure if the governing body, by a two-thirds majority vote, adopts a resolution  
6 or enacts an ordinance stating its intent to adopt an annual budget.

7 **SECTION 48.** 65.90 (2) of the statutes is amended to read:

8 65.90 (2) ~~Such An annual or biennial~~ budget shall list all existing indebtedness  
9 and all anticipated revenue from all sources during the ensuing year budget period  
10 and shall likewise list all proposed appropriations for each department, activity and  
11 reserve account during ~~the said ensuing year that period~~. Such budget shall also  
12 show actual revenues and expenditures for the preceding year, actual revenues and  
13 expenditures for not less than the first 6 months of the current year and estimated  
14 revenues and expenditures for the balance of the current year or, in the case of a  
15 biennial budget, for the balance of the period to which the budget applies. Such  
16 budget shall also show for informational purposes by fund all anticipated  
17 unexpended or unappropriated balances, and surpluses.

18 **SECTION 49.** 65.90 (3) (a) (intro.) of the statutes is amended to read:

19 65.90 (3) (a) (intro.) A summary of the budget required under sub. (1) or  
20 authorized under sub. (1m) and notice of the place where the budget in detail is  
21 available for public inspection and notice of the time and place for holding the public  
22 hearing thereon shall be published as a class 1 notice, under ch. 985, in the  
23 municipality at least 15 days prior to the time of the public hearing except that:

24 **SECTION 50.** 65.90 (3) (a) 1. of the statutes is amended to read:

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1           65.90 (3) (a) 1. In towns a summary of the budget required under sub. (1) or  
2           authorized under sub. (1m) and notice of the time and place of the public hearing  
3           thereon shall be posted in 3 public places at least 15 days prior to the time of the  
4           public hearing.

5           **SECTION 51.** 65.90 (3) (b) (intro.) of the statutes is amended to read:

6           65.90 (3) (b) (intro.) Any budget summary required under par. (a) shall include  
7           all of the following for each fiscal year of the proposed budget and the budget in effect,  
8           and shall also include the percentage change between the budget of the current year  
9           and each fiscal year of the proposed budget:

10          **SECTION 52.** 65.90 (3) (bm) of the statutes is amended to read:

11          65.90 (3) (bm) Any budget summary created under par. (a) shall include an  
12          itemization of proposed increases and decreases to the current year budget, and an  
13          itemization of proposed increases and decreases between the first and second year  
14          of a biennial budget, due to new or discontinued activities and functions.

15          **SECTION 53.** 65.90 (4) of the statutes is amended to read:

16          65.90 (4) Not less fewer than 15 days or, in the case of common school districts,  
17          as defined under s. 115.01 (3), not less fewer than 10 days, after the publication of  
18          the proposed budget and the notice of hearing thereon a public hearing shall be held  
19          at the time and place stipulated at which any resident or taxpayer of the  
20          governmental unit shall have an opportunity to be heard on the proposed budget.  
21          The budget hearing may be adjourned from time to time. In school districts holding  
22          an annual meeting the time and place of the budget hearing shall be the time and  
23          place of the annual meeting.

24          **SECTION 54.** 65.90 (5) (a) of the statutes is amended to read:

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1           65.90 (5) (a) Except as provided in ~~par.~~ pars. (b) and (c) and except for  
2 alterations made pursuant to a hearing under sub. (4), the amount of tax to be levied  
3 or certified, the amounts of the various appropriations and the purposes for such  
4 appropriations stated in a budget required under sub. (1) or authorized under sub.  
5 (1m) may not be changed unless authorized by a vote of two-thirds of the entire  
6 membership members-elect of the governing body of the municipality. Any  
7 municipality, ~~except a town, which makes changes under this paragraph shall~~  
8 ~~publish a class 1 notice thereof, under ch. 985, within 15 days after any change is~~  
9 ~~made. Failure to give notice shall preclude any changes in the proposed budget and~~  
10 ~~alterations thereto made under sub. (4).~~ In this subsection, "members-elect" has the  
11 meaning given in s. 66.10015 (1) (bs).

12           **SECTION 55.** 65.90 (5) (b) of the statutes is amended to read:

13           65.90 (5) (b) A county board may authorize its standing ~~finance committee~~  
14 committees to transfer funds between budgeted items of an individual county office  
15 or department, if such budgeted items have been separately appropriated, and to  
16 supplement the appropriations for a particular office, department, or activity by  
17 transfers from the contingent fund. Such committee transfers shall not exceed the  
18 amount set up in the contingent fund as adopted in the annual budget, nor aggregate  
19 in the case of an individual office, department, or activity in excess of 10 percent of  
20 the funds originally provided for such office, department, or activity in such annual  
21 budget. ~~The publication provisions of par. (a) shall apply to all committee transfers~~  
22 ~~from the contingent fund.~~

23           **SECTION 56.** 65.90 (5) (c) of the statutes is created to read:

24           65.90 (5) (c) 1. A governing body or a committee authorized by the governing  
25 body may, at any time, decrease appropriation amounts in a biennial budget.

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1           2. In October or November of an even-numbered year, the governing body of  
2 a municipality may change any appropriation or revenue amount in relation to the  
3 2nd year of the biennial budget by a simple majority vote of the members-elect of the  
4 governing body.

5           **SECTION 57.** 65.90 (6) (intro.) of the statutes is amended to read:

6           65.90 (6) (intro.) As part of the annual budget required under sub. (1) or the  
7 biennial budget authorized under sub. (1m), the governing body of any municipality  
8 and of any county having a population of 750,000 or more may establish and  
9 maintain, and levy a tax for, a liability reserve fund for the purpose of paying liability  
10 claims against the municipality or premiums on insurance to pay such claims. The  
11 governing body may allow amounts appropriated to the fund to accumulate from  
12 year to year. The annual taxes levied for this purpose may not exceed the level  
13 necessary to collect the amount recommended by an actuary, in accordance with  
14 generally accepted actuarial principles, that will be sufficient to pay any insurance  
15 premiums and the uninsured portion of claims that are anticipated to be made based  
16 on occurrences during the year in which the tax is collected. Payment of claims and  
17 premiums may either be made directly from the reserve account or appropriations  
18 may be made from the reserve account to an operating account for such payments.  
19 No other transfers may be made from the fund except in accordance with the  
20 procedure specified in sub. (5) (a) and unless:

21           **SECTION 58. Initial applicability.**

22           (1) This act first applies to a biennial budget that is adopted in 2019.

23           **(END)**

**Walker, Dan**

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**From:** Radcliffe, Mark  
**Sent:** Wednesday, April 17, 2019 9:48 AM  
**To:** LRB.Legal  
**Subject:** Draft Review: LRB -2655/1

Please Jacket LRB -2655/1 for the ASSEMBLY.