



**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1995 ASSEMBLY BILL 7**

February 1, 1995 – Offered by COMMITTEE ON WAYS AND MEANS.

1 **AN ACT to amend** 16.46 (2); and **to create** 13.40 of the statutes; **relating to:** a
2 limitation upon state appropriations from general purpose revenue.

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

3 **SECTION 1.** 13.40 of the statutes is created to read:

4 **13.40 Limitation on state appropriations from general purpose**
5 **revenue. (1)** In this section:

6 (a) “Fiscal biennium” means a 2-year period beginning on July 1 of an
7 odd-numbered year.

8 (b) “General purpose revenue” has the meaning given for “general purpose
9 revenues” in s. 20.001 (2) (a).

10 (c) “Local governmental unit” has the meaning given in s. 16.97 (7).

11 **(2)** Except as provided in subs. (3) to (5), the amount appropriated from general
12 purpose revenue for each fiscal biennium excluding any amount appropriated under
13 sub. (3) (a) to (d), as determined under sub. (6), may not exceed the sum of:

1 (a) The amount appropriated from general purpose revenue, excluding any
2 amount appropriated under sub. (3) (a) to (d), for the 2nd fiscal year of the prior fiscal
3 biennium as reported under s. 16.46 (2), multiplied by the sum of 1.0 and the average
4 annual percentage change in this state's per capita personal income, expressed as a
5 decimal, as reported for the most recent 4 calendar years prior to the fiscal biennium
6 by the federal department of commerce.

7 (b) The amount determined under par. (a) multiplied by the sum of 1.0 and the
8 average annual percentage change in this state's per capita personal income,
9 expressed as a decimal, as reported for the most recent 3 calendar years prior to the
10 fiscal biennium by the federal department of commerce and as estimated by the
11 department of administration for the calendar year following those years no later
12 than December 5 of each even-numbered year, except as provided in sub. (8).

13 **(3)** The limitation under sub. (2) does not apply to any of the following:

14 (a) An appropriation for principal repayment and interest payments on public
15 debt, as defined in s. 18.01 (4), or operating notes, as defined in s. 18.71 (4).

16 (b) An appropriation to honor a moral obligation undertaken pursuant to ss.
17 18.61 (5), 85.25 (5), 144.2415 (13m), 229.50 (7), 234.15 (4), 234.42 (4), 234.54 (4) (b),
18 234.626 (7) and 234.93 (6).

19 (c) An appropriation to make a payment to the United States that the building
20 commission determines to be payable under s. 13.488 (1) (m).

21 (d) An appropriation for a period prior to the 1997-98 fiscal year providing for
22 state aids to any local governmental unit.

23 (e) An appropriation that is enacted with the approval of at least three-fifths
24 of the members of each house of the legislature.

1 **(4)** Whenever in any fiscal biennium the federal government assumes fiscal
2 responsibility for a state program that was previously funded from general purpose
3 revenue, the limitation under sub. (2) for the next fiscal biennium shall be reduced
4 by the amount allocated to that program for the most recently completed fiscal
5 biennium in which the state assumed fiscal responsibility for the program.

6 **(5)** Whenever in any fiscal biennium the legislature terminates or reduces the
7 cost of administering a program administered by local governmental units that is
8 partially funded by the state from general purpose revenue, the limitation under sub.
9 (2) for the next fiscal biennium shall be reduced by the amount allocated by the state
10 to that program from general purpose revenue or by the amount of the reduced state
11 cost, from general purpose revenue, of administering that program for the most
12 recently completed fiscal biennium.

13 **(6)** For purposes of sub. (2), the computation of the amount appropriated from
14 general purpose revenue for any fiscal biennium to which sub. (2) applies shall be
15 made by adding the applicable sum certain appropriations enacted by the legislature
16 from general purpose revenue and an estimate of amounts that will be expended
17 under applicable appropriations, other than sum certain appropriations, that are
18 made from general purpose revenue for that fiscal biennium, including any amounts
19 estimated to be expended for payment of compensation increases for state employes
20 and for litigation expenses incurred in actions against the state or state officers,
21 employes or agents, as determined by the legislative fiscal bureau no later than
22 December 5 of each even-numbered year, except as provided in sub. (8).

23 **(7)** For purposes of calculating the amount appropriated from a biennial
24 appropriation under sub. (2) (a), the amount shown in the schedule under s. 20.005
25 (3) for the 2nd year of any fiscal biennium is determinative.

