



ROBERT WITTKÉ

STATE REPRESENTATIVE • 62nd ASSEMBLY DISTRICT

TESTIMONY: ASSEMBLY COMMITTEE ON CONSTITUTION AND ETHICS February 1, 2022

Chairman Wichgers and Members,

Thank you for this opportunity to testify today on an important constitutional amendment, **AJR 112**, regarding expenditure of moneys Wisconsin receives from the federal government. Never before have we seen this much federal money pour into our state - it is, I believe, a defining moment in our state's history – to have one person alone make the decision for where the money is spent just isn't good governance no matter the political affiliation.

AJR 112 would restore a balance to how Wisconsin manages federal money we receive. It was back in the 1930's when the Legislature changed their role in the dispersing of federal dollars and granted authority to the governor. While I cannot speak to the intent of the Legislature at that time, I would imagine the decision was based on a need for efficiency as the federal funding to states increased. Most recently the federal government has sent billions into Wisconsin with more than \$4 billion designated specifically for the governor to disperse at his discretion alone, and billions more identified for specific spending by the federal government for Wisconsin. In a day and age when we can click and slide funds on our phones to anyone, I don't believe that's what the Legislatures of the 1930's really intended with finding an efficiency for dispersal of federal money.

AJR 112 would put the Legislature and specifically a joint committee of the legislature back into the decision making process. Giving a voice in the process to all 72 counties in the state is important for good governing of state resources.

Thank you for holding a hearing on **AJR 112**, I hope you'll move the resolution out of committee for full Assembly action.



DALE KOOYENGA
STATE SENATOR · 5TH DISTRICT

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February 1, 2022

TO: Members of the Assembly Committee on Constitution and Ethics

FR: Senator Dale Kooyenga

RE: Support for AJR 112 – Restoring legislative accountability in the expenditure of funds received from the federal government

Thank you for holding a hearing on Assembly Joint Resolution 112. This resolution, up for first consideration before the Legislature, increases accountability, efficiency, and transparency in the expenditure of funds received from the federal government by restoring the Legislature’s role in approving those expenditures.

The Wisconsin Constitution provides that the Legislature holds the power of the purse. Article VIII, Section 2 states in part, “No money shall be paid out of the treasury except in pursuance of an appropriation by law.” The state Constitution clearly gives spending responsibility to the Assembly and Senate.

For much of Wisconsin’s early history, lawmakers had the final say over the spending of all funds in the state treasury, no matter their source. However, legislators abandoned that important responsibility during the 1930s and 1940s as federal dollars began to compose a much larger share of state spending.

During that time, most authority over that growing pool of funds was given to the executive branch as past legislatures transferred to the governor unilateral authority to allocate funds received from the federal government through the enactment of several laws during and after the Great Depression era.

AJR 112 amends the Wisconsin Constitution by prohibiting the Legislature from delegating to the executive branch its sole appropriation authority over federal funds. Under the amendment, an initial allocation of federal funds may not be made without the approval of a joint committee of the Legislature.

This resolution is a reasonable, practical approach to enable more Wisconsin citizens to have their voice heard in the process of allocating federal funds by opening those decisions to the legislative process.

Thank you for hearing AJR 112. I respectfully ask for your support.



February 1, 2022,

Dear Chairman Wichgers and Members of the Assembly Committee on
Constitution and Ethics,

The Badger Institute submits this testimony today in support of AJR 112 and a constitutional amendment assuring legislative approval of the spending of federal money in Wisconsin.

As you well know, Wisconsin every year becomes more dependent on federal funding. The current biennial budget includes over \$26 billion in federal revenue – almost 30% of total appropriations and authorizations. While most of that money comes with federal requirements and mandates, the legislature does at least exercise some general, pro forma review through the budget process.

That fundamental oversight role does not apply to other federal funds and results in even less accountability, state or local control, and transparency. Our initial investigation of how federal CARES Act funding is being used in the state has already uncovered some absurd examples of waste.

In April of 2021, the Badger Institute made the first of several requests of 20 local governments in Wisconsin for detailed information about how it spent its shares of the more than \$2 billion the state received in CARES Act funding. We were concerned that while the bill required every government entity to keep and share records of its spending with the state Department of Administration, there would be little oversight of the spending by the agency and little interest in accountability on the part of the state's major media outlets.

Our concerns were well founded. Of the 20 county and local governments the Badger Institute originally contacted, half did not fulfill their legal obligation to

provide detailed spending records. Officials for the other half who provided the records were either unwilling or unable to discuss how or why their communities spent the federal money the way they did.

The records we were able to obtain offer numerous examples of questionable spending. Last month, for example, we reported that many of the state's county jail administrators had spent \$2.2 million - \$40,000 apiece - for "[disinfection robots](#)." The robots, outfitted with ultraviolet lights to kill germs, did not replace but augmented the hand-sanitizing of jail cells and intake areas.

We also determined that after nearly two years, 14 of these communities [hadn't been able to spend](#) more than \$100 million of their CARES Act allotment.

The documents we've obtained provide proof that even in the early stages of the pandemic, state and local governments were using federal "emergency" funds to supplement their budgets, particularly in the area of transit. The Badger Institute has several more stories to write on the subject.

It is clear the federal government made no reasonable calculation for how much state and local governments actually needed to weather COVID. And it appears the governor of Wisconsin, who has sole authority to dispense this funding, has done minimal assessment of the need for much of it.

On Nov. 19, the Connecticut legislature [launched an audit](#) of \$60 million of CARES Act funding to all of the state's 169 cities and towns, but only after an undercover sting and arrest of two city employees for allegedly stealing \$636,000 in pandemic relief funds. As far as we can tell, it's the only audit of its kind in the country. With trillions in circulation, it's difficult to believe this was the only instance of misuse of funds in the country.

We believe both an audit of past spending and legislative approval of all future federal spending would provide taxpayers with the oversight and accountability they deserve.



Mike Nichols, Badger Institute President