

**ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 190**

March 10, 1999 – Offered by Representative WIECKERT.

1 **AN ACT** *to create* 13.40 of the statutes; **relating to:** limitations on state
2 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).

1 (d) “Program revenue” has the meaning given for “program revenues” in s.
2 20.001 (2) (b) and “program revenues–service” in s. 20.001 (2) (c), but excludes federal
3 revenues as defined in s. 20.001 (2) (e).

4 (e) “Segregated revenue” has the meaning given for “segregated fund revenues”
5 in s. 20.001 (2) (d), “segregated fund revenues — service” in s. 20.001 (2) (da) and
6 “segregated fund revenues — local” in s. 20.001 (2) (dm), but excludes federal
7 revenues as defined in s. 20.001 (2) (e).

8 **(2)** Except as provided in subs. (3) to (5), the amount appropriated from general
9 purpose revenue for each fiscal biennium, excluding any amount under an
10 appropriation specified in sub. (3) (a) to (e), as determined under sub. (6), may not
11 exceed the sum of:

12 (a) The amount appropriated from general purpose revenue, excluding any
13 amount under an appropriation specified in sub. (3) (a) to (e), for the 2nd fiscal year
14 of the prior fiscal biennium as determined under sub. (6), multiplied by the sum of
15 0.99 and the average annual percentage change in this state’s aggregate personal
16 income, expressed as a decimal, as reported for the most recent 4 calendar years prior
17 to the calendar year immediately preceding the fiscal biennium by the federal
18 department of commerce.

19 (b) The amount determined under par. (a) multiplied by the sum of 0.99 and
20 the average annual percentage change in this state’s aggregate personal income,
21 expressed as a decimal, as reported for the most recent 3 calendar years prior to the
22 calendar year immediately preceding the fiscal biennium by the federal department
23 of commerce and as estimated by the department of revenue for the calendar year
24 following those years no later than December 5 of each even–numbered year, except
25 as provided in sub. (8).

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

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

4 (b) An appropriation to honor a moral obligation undertaken pursuant to ss.
5 18.61 (5), 85.25 (5), 229.50 (7), 229.74 (7), 234.15 (4), 234.42 (4), 234.54 (4) (b),
6 234.626 (7), 234.93 (6), 234.932 (6), 234.933 (6) and 281.59 (13m).

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

9 (e) An appropriation that is enacted with the approval of at least two-thirds
10 of the members of each house of the legislature.

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

16 **(4m)** Whenever in any fiscal biennium the legislature reduces the cost of
17 administering a program administered in whole or in part from general purpose
18 revenue by substituting funding from program revenue or segregated revenue, the
19 limitation under sub. (2) for the next fiscal biennium shall be reduced by the amount
20 of the reduced state cost, from general purpose revenue, of administering that
21 program for the most recently completed fiscal biennium.

22 **(5)** Whenever in any fiscal biennium the legislature terminates or reduces the
23 state general purpose revenue funding for a program administered by local
24 governmental units that is partially funded by the state from general purpose
25 revenue, the limitation under sub. (2) for the next fiscal biennium shall be reduced

1 by the amount allocated by the state to that program from general purpose revenue
2 or by the amount of the reduced state cost, from general purpose revenue, of
3 administering that program for the most recently completed fiscal biennium. If the
4 requirement that the local unit of government administer the program is terminated
5 or reduced by the same amount that state general purpose funding is reduced, then
6 no adjustment shall be made to the limitation under sub. (2).

7 **(6)** For purposes of sub. (2), the legislative fiscal bureau shall determine the
8 amount appropriated from general purpose revenue for any fiscal biennium to which
9 sub. (2) applies by adding the total general purpose revenue appropriations for that
10 fiscal biennium plus any amount designated as “Compensation Reserves” for that
11 fiscal biennium in the summary under s. 20.005 (1), as printed in the revised
12 schedule that is approved under s. 20.004 (2), and adjusting this sum by any amount
13 that the legislative fiscal bureau determines affects general purpose revenues. The
14 legislative fiscal bureau shall make this determination no later than December 5 of
15 each even-numbered year, except as provided in sub. (8).

16 **(8)** No later than December 5 of each even-numbered year, the department of
17 revenue and legislative fiscal bureau shall report to the cochairpersons of the joint
18 committee on finance the estimates and determinations required to be made under
19 subs. (2) and (6) for the succeeding fiscal biennium. If the cochairpersons of the
20 committee do not notify the secretary of revenue and the director of the legislative
21 fiscal bureau that the committee has scheduled a meeting for the purpose of
22 reviewing the estimates and determinations by December 15 following their
23 submittal, the estimates and determinations shall be effective. If, by December 15
24 following the submittal of the estimates and determinations, the cochairpersons of
25 the committee notify the secretary and director that the committee has scheduled a

1 meeting for the purpose of reviewing the estimates and determinations, the
2 estimates and determinations are not effective unless approved or approved with
3 modifications by the committee.

4 **(9)** The cochairpersons of the joint committee on finance shall submit a report
5 of the estimations and determinations approved by the committee under sub. (8) to
6 the governor, the secretary of administration, the speaker of the assembly and the
7 president of the senate.

8 **SECTION 2. Initial applicability.**

9 (1) This act first applies to appropriations made for the 2001–03 biennium.

10 **(END)**