

**1999 DRAFTING REQUEST**

**Assembly Substitute Amendment (ASA-AB190)**

Received: **03/16/99**

Received By: **champra**

Wanted: **Today**

Identical to LRB:

For: **Marc Duff (608) 266-1190**

By/Representing: **Himself**

This file may be shown to any legislator: **NO**

Drafter: **champra**

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Subject: **State Finance - bud generally**

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**Pre Topic:**

No specific pre topic given

**Topic:**

GPR spending caps

**Instructions:**

See Attached.

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
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/?	champra		<i>MD 3/16</i>	<i>CF 3/16</i>			

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<END>



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

NOW

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 lower of the  
15 following:

16 1. The sum of 0.99 and the average annual percentage change in this state’s  
17 aggregate personal income, expressed as a decimal, as reported for the most recent  
18 4 calendar years prior to the calendar year immediately preceding the fiscal  
19 biennium by the federal department of commerce.

20 2. The sum of 1.0 and 85% of the average annual percentage change in the  
21 consumer price index, all items, U.S. city average, expressed as a decimal, as  
22 reported for the most recent 4 calendar years prior to the calendar year immediately  
23 preceding the fiscal biennium by the bureau of labor statistics of the federal  
24 department of labor.

1 (b) The amount determined under par. (a) multiplied by the lower of the  
2 following:

3 1. The sum of 0.99 and the average annual percentage change in this state's  
4 aggregate personal income, expressed as a decimal, as reported for the most recent  
5 3 calendar years prior to the calendar year immediately preceding the fiscal  
6 biennium by the federal department of commerce and as estimated by the  
7 department of revenue for the calendar year following those years no later than  
8 December 5 of each even-numbered year, except as provided in sub. (8).

9 2. The sum of 1.0 and 85% of the average annual percentage change in the  
10 consumer price index, all items, U.S. city average, expressed as a decimal, as  
11 reported for the most recent 3 calendar years prior to the calendar year immediately  
12 preceding the fiscal biennium by the bureau of labor statistics of the federal  
13 department of labor. ↗

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

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

17 (b) An appropriation to honor a moral obligation undertaken pursuant to ss.  
18 18.61 (5), 85.25 (5), 229.50 (7), 229.74 (7), 234.15 (4), 234.42 (4), 234.54 (4) (b),  
19 234.626 (7), 234.93 (6), 234.932 (6), 234.933 (6) and 281.59 (13m).

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

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

24 (4) Whenever in any fiscal biennium the federal government assumes fiscal  
25 responsibility for a state program that was previously funded from general purpose

1 revenue, the limitation under sub. (2) for the next fiscal biennium shall be reduced  
2 by the amount allocated to that program for the most recently completed fiscal  
3 biennium in which the state assumed fiscal responsibility for the program.

4 (4m) Whenever in any fiscal biennium the legislature reduces the cost of  
5 administering a program administered in whole or in part from general purpose  
6 revenue by substituting funding from program revenue or segregated revenue, the  
7 limitation under sub. (2) for the next fiscal biennium shall be reduced by the amount  
8 of the reduced state cost, from general purpose revenue, of administering that  
9 program for the most recently completed fiscal biennium.

10 (5) Whenever in any fiscal biennium the legislature terminates or reduces the  
11 state general purpose revenue funding for a program administered by local  
12 governmental units that is partially funded by the state from general purpose  
13 revenue, the limitation under sub. (2) for the next fiscal biennium shall be reduced  
14 by the amount allocated by the state to that program from general purpose revenue  
15 or by the amount of the reduced state cost, from general purpose revenue, of  
16 administering that program for the most recently completed fiscal biennium. If the  
17 requirement that the local unit of government administer the program is terminated  
18 or reduced by the same amount that state general purpose funding is reduced, then  
19 no adjustment shall be made to the limitation under sub. (2).

20 (6) For purposes of sub. (2), the legislative fiscal bureau shall determine the  
21 amount appropriated from general purpose revenue for any fiscal biennium to which  
22 sub. (2) applies by adding the total general purpose revenue appropriations for that  
23 fiscal biennium plus any amount designated as “Compensation Reserves” for that  
24 fiscal biennium in the summary under s. 20.005 (1), as printed in the revised  
25 schedule that is approved under s. 20.004 (2), and adjusting this sum by any amount

1 that the legislative fiscal bureau determines affects general purpose revenues. The  
2 legislative fiscal bureau shall make this determination no later than December 5 of  
3 each even-numbered year, except as provided in sub. (8).

4 (8) No later than December 5 of each even-numbered year, the department of  
5 revenue and legislative fiscal bureau shall report to the cochairpersons of the joint  
6 committee on finance the estimates and determinations required to be made under  
7 subs. (2) and (6) for the succeeding fiscal biennium. If the cochairpersons of the  
8 committee do not notify the secretary of revenue and the director of the legislative  
9 fiscal bureau that the committee has scheduled a meeting for the purpose of  
10 reviewing the estimates and determinations by December 15 following their  
11 submittal, the estimates and determinations shall be effective. If, by December 15  
12 following the submittal of the estimates and determinations, the cochairpersons of  
13 the committee notify the secretary and director that the committee has scheduled a  
14 meeting for the purpose of reviewing the estimates and determinations, the  
15 estimates and determinations are not effective unless approved or approved with  
16 modifications by the committee.

17 (9) The cochairpersons of the joint committee on finance shall submit a report  
18 of the estimations and determinations approved by the committee under sub. (8) to  
19 the governor, the secretary of administration, the speaker of the assembly and the  
20 president of the senate.

21 **SECTION 2m. Nonstatutory provisions.**

22 (1) Notwithstanding section 13.40 (6) of the statutes, as created by this act, for  
23 the purpose of determining the amount that may be appropriated from general  
24 purpose revenue for the 1999–2001 biennium, the legislative fiscal bureau shall  
25 make the determinations required under section 13.40 (6) of the statutes, as created

1 by this act, no later than the first day of the 2nd month after the effective date of this  
2 subsection.

3 (2) Notwithstanding section 13.40 (8) of the statutes, as created by this act, for  
4 the purpose of determining the amount that may be appropriated from general  
5 purpose revenue for the 1999–2001 biennium, the legislative fiscal bureau shall  
6 submit the report to the cochairpersons of the joint committee on finance that is  
7 required under section 13.40 (8) of the statutes, as created by this act, no later than  
8 the first day of the 2nd month after the effective date of this subsection. If the  
9 cochairpersons of the committee do not notify the secretary of revenue and the  
10 director of the legislative fiscal bureau that the committee has scheduled a meeting  
11 for the purpose of reviewing the estimates and determinations by the 10th day  
12 following their submittal, the estimates and determinations shall be effective. If, by  
13 the 10th day following the submittal of the estimates and determinations, the  
14 cochairpersons of the committee notify the secretary and director that the committee  
15 has scheduled a meeting for the purpose of reviewing the estimates and  
16 determinations, the estimates and determinations are not effective unless approved  
17 or approved with modifications by the committee.

18 (END)