

1999 DRAFTING REQUEST

Assembly Amendment (AA-AB133)

Received: 05/5/99

Received By: kuesejt

Wanted: As time permits

Identical to LRB:

For: Legislative Fiscal Bureau 6-8744

By/Representing: Mason

This file may be shown to any legislator: NO

Drafter: kuesejt

May Contact:

Alt. Drafters:

Subject: State Government - miscellaneous

Extra Copies: TAY - 1

Pre Topic:

LFB:.....Mason -

Topic:

Assistance to governor from state agencies

Instructions:

Per LFB paper #465, alternative 2 a. and b.

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>
/?	kuesejt 05/6/99	gilfokm 05/6/99		_____			
/1			mclark 05/7/99	_____	lrb_docadmin 05/7/99		
/2	kuesejt 05/8/99	gilfokm 05/10/99	mclark 05/11/99	_____	lrb_docadmin 05/11/99		

FE Sent For:

<END>

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/1 1/2	kuesejt 5/8	12-5-10-99 King	mclark 05/7/99	_____	lrb_docadmin 05/7/99		
FE Sent For:			S/10 MRC	MRC/HH 5/10			

<END>

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17/1	kuesejt	5/6 1-5-699 kmg 12-5-10-99 kmg	S/7 MRC	MRC/JF S/7			

FE Sent For:

<END>



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 4, 1999

Joint Committee on Finance

Paper #465

Authority to Enter into Cooperative Arrangements with State Agencies (Governor)

[LFB 1999-01 Budget Summary: Page 249, #2]

CURRENT LAW

The Office of the Governor has base level salary and fringe benefits funding of \$2,337,700 GPR annually and is authorized 46.05 GPR positions (this includes \$188,300 GPR annually and 4.50 GPR positions for the operation of the Executive Residence).

The Governor has the inherent authority by virtue of his office to direct executive agencies to provide assistance to the Office. Also, under s. 230.047 of the statutes, the Office may enter into employee interchange agreements with other state agencies.

GOVERNOR

Authorize the Governor to enter into cooperative arrangements with any state agency under which the agency would assist the Governor in carrying out his or her responsibilities. Agencies covered by this provision would include offices, departments and independent agencies of the executive branch as well as the Legislature and the courts. Establish a new, program revenue continuing appropriation under the Office of the Governor into which state agencies would transfer funds under such cooperative arrangements for expenditure by the Governor's Office.

Provide expenditure authority of \$105,000 PR in 1999-00 and \$145,600 PR in 2000-01 under this new appropriation account and authorize 2.0 unclassified PR positions to staff unspecified special projects to be undertaken by the Governor through these new cooperative interagency arrangements.

DISCUSSION POINTS

1. The Governor, as head of the executive branch, has the inherent power under the Wisconsin Constitution to direct executive branch agencies to provide assistance to the Office on matters of interest to the chief executive.

2. In addition, the temporary interchange of employees between state agencies (including the Governor's Office) is authorized under s. 230.047 of the statutes. Under this authority, two state agencies may participate in employee interchange programs with one another for any purpose relating to "resolving problems affecting this state." During the period of an interchange agreement, employees of the sending agency are on work detail to the receiving agency and undertake such activities as the receiving agency may specify in the terms of the agreement. Further, employees of the sending agency, even though they report to work in another agency, continue to be deemed employees of the sending agency and continue to be paid by the sending agency.

3. Staff in the Executive Office indicate that while the Office has previously entered into employee interchange agreements with other state agencies, it would prefer to have the increased flexibility that would be offered by the proposed language in the budget bill.

4. Under the proposed language, the individuals undertaking projects of interest to the Governor would actually be employees of the Executive Office rather than of the sending agency, as is the case with interchanges under s. 230.047. Under the proposed language, what is exchanged is funds from the sending agency to the Governor's Office for the hiring of its own employees or for other expenditures of the Office. The presumed advantage under this proposed approach is that the Office could select the individuals to fill the positions and would not be limited to having to use existing staff from another agency, as is the case with current interchange agreements. Furthermore, according to the Executive Office staff, under the terms of the envisioned cooperative arrangements, the types of projects supported would likely be longer in duration than those that are generally undertaken through temporary interchange agreements. Finally, the associated costs of these longer-term projects would presumably be entirely funded from the other cooperating agency's or agencies' budgeted resources.

5. The Governor's budget would provide \$105,000 PR in 1999-00 and \$145,600 PR in 2000-01 and authorize 2.0 PR positions to be supported through various unspecified funding transfers from other agencies under the proposed cooperative arrangements. The annualized salaries of each of these two positions would be \$50,000 PR. Although the Executive Budget Book indicates that the intent is that the new positions be authorized only for a four-year period, the funding and associated position authority are provided in the bill on a permanent position basis.

6. At this writing, there is only limited information available concerning the nature and extent of the activities that would be planned to be undertaken by the two new positions proposed to be supported through initial cooperative arrangements with other state agencies. The Governor's Office staff has advised that one of the two positions would likely be involved with issues related to

the feasibility of enhancing Amtrak or other passenger rail service in the state. It has been indicated that funding for this position would most likely be provided through a cooperative arrangement with the Department of Transportation. The other requested position is anticipated to be involved with issues arising under the "Wisconsin Works" initiative. In that case, funding for this position would likely be provided through a cooperative arrangement with the Department of Workforce Development. The new positions would presumably provide both policy and technical expertise to the Governor on these topics.

7. If the Committee concludes that: (a) the increased staffing flexibility provided to the Office of the Governor under the new cooperative arrangements would be desirable; and (b) the need for the 2.0 PR positions and associated funding supported from transfers to the Office under such agreements are justified, it could approve the Governor's recommendation.

8. However, arguments could be raised regarding the scope of the proposed language which would grant any Governor the authority to enter into cooperative arrangement with any state agencies, including the two separate branches of government -- the Legislature and the courts -- and which would become a permanent authorization. The Committee could adopt one or both of the following limitations to that proposed authority:

- First, the Committee could limit the Governor's authority to enter into cooperative arrangements only to executive branch agencies. This alternative could be advanced on the grounds that the Legislature and the courts are coordinate branches of government and as such may view it as inappropriate to enter into such cooperative arrangements, the purpose of which would be to provide financial "assistance to the Governor in carrying out his or her responsibilities." Legislative and judicial branch agencies would always have the option of working with the Governor's Office or any other executive branch agency if they wished to do so.

- Second, the Committee could sunset, effective January 6, 2003, the proposed authority for a Governor to enter into cooperative arrangements with other agencies. This sunset would correspond with the end of the Governor's current term of office. Under this alternative, funding and authority for these new PR positions would terminate along with the separate new PR appropriation. With regard to the positions, this action would also be consistent with the Governor's stated intent that the proposed new positions only be authorized for a maximum of four years.

9. Another argument that could be made is that the Office of the Governor has not sufficiently identified the specific activities for which the new PR-funded staff would be needed, the amount of workload expected to be associated with these activities or the specific source of funding for the staff. The Committee could deny approval of the 2.0 PR additional positions and associated funding at this time with the understanding that a request for positions and funding authority could be submitted at a later date under a 14-day passive review process. Under this alternative, the proposed authority for the Governor to enter into such cooperative arrangements with other agencies would not be affected and the new PR-funded appropriation account would still be established under the Office. However, before any position or expenditure authority could be established, the Office would have to submit a 14-day passive review request to the Committee for specific funding

and position authority under this new appropriation, once the exact details of the initial projects, as well as the specific staffing needs and the funding sources for the projects have been determined.

10. A final concern that could be raised is that the proposed cooperative agreement mechanism is not an appropriate way to support what could be viewed as additional permanent staffing resources in the Office of the Governor.

11. Effectively, this budget proposal would provide additional permanent policy and/or technical staff in the Office of the Governor, but would fund them entirely from resources that are budgeted to other agencies for other purposes. Such amounts would be transferred under a cooperative agreement to the Governor's Office.

12. The argument could be made that if the Governor has a long-term policy interest in a matter and believes that staff resources under his direct supervision need to be committed to that activity, or believes that the general staffing level of the Office is insufficient to meet the needs of the Office, then existing staff should either be reallocated or additional staff should be authorized and funded through an increase in the general program operations appropriation for the Office.

13. As another alternative then, the Committee could conclude that there is a need for additional policy and technical staff in the Executive Office to undertake projects of interest to the Governor. The Committee could delete the Governor's proposal in its entirety and instead provide \$105,000 GPR in 1999-00 and \$145,600 GPR in 2000-01 and authorize 2.0 GPR unclassified positions to staff special projects or activities of interest to the Governor.

ALTERNATIVES

1. Approve the Governor's recommendation to: (a) allow the Governor to enter into cooperative arrangements with any state agency; (b) establish a new, program revenue continuing appropriation under the Office for the receipt of transferred funds under such cooperative arrangements; and (c) provide expenditure authority of \$105,000 PR in 1999-00 and \$145,600 PR in 2000-01 and authorize 2.0 PR unclassified positions.

2. Modify the Governor's recommendation by adopting one or more of the following modifications:

a. Delete legislative and judicial branch agencies from the list of state agencies subject to entering into cooperative arrangements with the Office of the Governor.

b. Repeal, effective January 6, 2003: (a) the proposed authority of the Governor to enter into cooperative arrangements with state agencies; (b) repeal the program revenue appropriation under the Office for the receipt of transferred funds under cooperative arrangements; and (c) the funding and position authority for 2.0 PR unclassified positions associated with the new program revenue appropriation.

c. Delete expenditure authority of \$105,000 PR in 1999-00 and \$145,600 PR in 2000-01 and 2.0 PR unclassified positions to staff special projects to be undertaken by the Governor through cooperative interagency agreements. [Under this alternative, the Governor's Office could submit a request under ss. 16.515/16.505(2) once the specifics of the individual projects, the staffing needs for such projects and the funding sources for such activities have been determined.]

<u>Alternative 2c</u>	<u>PR</u>
1999-01 FUNDING (Change to Bill)	- \$250,600
2000-01 POSITIONS (Change to Bill)	- 2.00

3. Delete the Governor's recommendation and instead provide \$105,000 GPR in 1999-00 and \$145,600 GPR in 2000-01 and authorize 2.0 GPR unclassified positions in the Office for special projects staffing.

<u>Alternative 3</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	\$250,600	- \$250,600	\$0
2000-01 POSITIONS (Change to Bill)	2.00	- 2.00	0.00

4. Maintain current law.

<u>Alternative 4</u>	<u>PR</u>
1999-01 FUNDING (Change to Bill)	- \$250,600
2000-01 POSITIONS (Change to Bill)	- 2.00

Prepared by: Tony Mason

4

MO# 2,abc

Burke	Y	N
Decker	Y	N
Jauch	Y	N
Moore	Y	N
Shibilski	Y	N
Plache	Y	N
Cowles	Y	N
Panzer	Y	N
2Gard	Y	N
1Porter	Y	N
Kaufert	Y	N
Albers	Y	N
Duff	Y	N
Ward	Y	N
Huber	Y	N
Riley	Y	N

12-4

3

Remainder 2, a, b, c

MO# Remainder

Burke	Y	N
Decker	Y	N
1Jauch	Y	N
2Moore	Y	N
Shibilski	Y	N
Plache	Y	N
Cowles	Y	N
Panzer	Y	N
Gard	Y	N
Porter	Y	N
Kaufert	Y	N
Albers	Y	N
Duff	Y	N
Ward	Y	N
Huber	Y	N
Riley	Y	N

13-3

1

MO# 2, a, b, c

Burke	Y	N
Decker	Y	N
Jauch	Y	N
Moore	Y	N
Shibilski	Y	N
Plache	Y	N
Cowles	Y	N
Panzer	Y	N
2Gard	Y	N
1Porter	Y	N
Kaufert	Y	N
Albers	Y	N
Duff	Y	N
Ward	Y	N
Huber	Y	N
Riley	Y	N

8-8

2

MO# 3

1Burke	Y	N
2Decker	Y	N
Jauch	Y	N
Moore	Y	N
Shibilski	Y	N
Plache	Y	N
Cowles	Y	N
Panzer	Y	N
Gard	Y	N
Porter	Y	N
Kaufert	Y	N
Albers	Y	N
Duff	Y	N
Ward	Y	N
Huber	Y	N
Riley	Y	N

8-8

1999

Date (time) needed SOON

LRB b 0242, 1

**LFB BUDGET AMENDMENT
[ONLY FOR LFB]**

STK: King :

See form **AMENDMENTS — COMPONENTS & ITEMS.**

**LFB AMENDMENT
TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45**

>>FOR JT. FIN. SUB. — NOT FOR INTRODUCTION<<

At the locations indicated, amend the bill as follows:

✓ #. Page 124, line 21: delete "state" and substitute "executive branch". ^{from}

✓ #. Page 124, line 21: delete "state" and substitute "executive branch". ^{agency}

✓ #. Page 124, line 22: delete "20,001(1)" and substitute "16,70(4)".

✓ #. Page 124, line 23: delete "state" and substitute "executive branch". ^{state}

✓ #. Page 124, line 25: after that line insert: "SOON RP, 14.18, as created by 1999 Wisconsin Act ... (this act)", ^{ac.}

✓ #. Page 443, line 8: after that line insert:

BILL

SECTION 474

1999

as affected by 1999 Wisconsin Act ... (this act)

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SECTION 474. 20.445 (3) (mc) of the statutes is amended to read:

20.445 (3) (mc) *Federal block grant operations.* The amounts in the schedule for the purposes of operating and administering the block grant programs for which the block grant moneys are received and transferring moneys to the appropriation accounts under ss. 20.435 (3) (kx), (6) (kx) and (8) (kx) and 20.512 (1) (kg) and 20.525 (1)

~~(kb)~~ All block grant moneys received for these purposes from the federal government or any of its agencies for the state administration of federal block grants for the purposes specified shall be credited to this appropriation account.

SECTION 475. 20.445 (3) (md) of the statutes is amended to read:

20.445 (3) (md) *Federal block grant aids.* The amounts in the schedule for aids to individuals or organizations and to be transferred to the appropriation accounts under sub. (7) (kc) and ss. 20.143 (1) (kd), 20.255 (2) (kh) and (kp), 20.434 (1) (ky), 20.435 (3) (kc), (kd) and (ky), (5) (ky), (7) (kw) and (ky) and (8) (kx) and 20.465 (4) (k).

All block grant moneys received for these purposes from the federal government or any of its agencies to be expended as aids to individuals or organizations and to be transferred to the appropriation accounts under s. 20.435 (3) (ke) and (kd), (7) (kw) and (ky) and (8) (kx) shall be credited to this appropriation account.

SECTION 476. 20.445 (3) (mm) of the statutes is created to read:

20.445 (3) (mm) *Reimbursements from federal government.* All moneys received from the federal government that are intended to reimburse the state for expenditures in previous fiscal years from general purpose revenue appropriations whose purpose includes a requirement to match or secure federal funds and that exceeded in those fiscal years the estimates reflected in the intentions of the legislature and governor, as expressed by them in the budget determinations, and the joint committee on finance, as expressed by the committee in any determinations,

Plain
version

Page 467, line 16: after that line insert:

^(ac)
"SECTION 593~~AA~~ RP; 20.525(1)(Kb), as created by 1999 Wisconsin Act ~~...~~ (the act),"

Page 1472, line 4: after that line insert:

^(X)
"(1a) ⁽³⁾ ASSISTANCE FROM EXECUTIVE BRANCH AGENCIES. ~~...~~ Repeal of Sections 14.18 and 20.525(1)(Kb), ~~and~~ the treatment of section 20.525(1)(Kb) by ⁽³⁾ SECTION 593~~AA~~ of the statutes take effect on January 6, 2003."

and the ~~...~~

(end)

7474 ac

of the statutes

20.445 (3) (mc)

MOVE



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0242/1
JTK:kmg:mrc

SOON

LFB:.....Mason - Assistance to governor from state agencies

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

LFB AMENDMENT

TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

- 1 At the locations indicated, amend the bill as follows:
- 2 1. Page 124, line 21: delete **“from state”** and substitute **“from executive**
- 3 **branch”**.
- 4 2. Page 124, line 21: delete **“state agency”** and substitute **“executive branch**
- 5 **agency”**.
- 6 3. Page 124, line 22: delete **“20.001 (1)”** and substitute **“16.70 (4)”**.
- 7 4. Page 124, line 23: delete **“state”** and substitute **“executive branch”**.
- 8 5. Page 124, line 25: after that line insert:
- 9 **“SECTION 11ac. 14.18 of the statutes, as created by 1999 Wisconsin Act (this**
- 10 **act), is repealed.”**.
- 11 6. Page 443, line 8: after that line insert:

1 **"SECTION 474ac.** 20.445 (3) (mc) of the statutes, as affected by 1999 Wisconsin
2 Act (this act), is amended to read:

3 **20.445 (3) (mc) Federal block grant operations.** The amounts in the schedule
4 for the purposes of operating and administering the block grant programs for which
5 the block grant moneys are received and transferring moneys to the appropriation
6 accounts under ss. 20.435 (3) (kx), (6) (kx) and (8) (kx), and 20.512 (1) (kg) and 20.525
7 (1) (kb). All block grant moneys received for these purposes from the federal
8 government or any of its agencies for the state administration of federal block grants
9 shall be credited to this appropriation account."

10 **7.** Page 467, line 16: after that line insert:

11 **"SECTION 593ac.** 20.525 (1) (kb) of the statutes, as created by 1999 Wisconsin
12 Act (this act), is repealed."

13 **8.** Page 1472, line 4: after that line insert:

14 **"(1x) ASSISTANCE FROM EXECUTIVE BRANCH AGENCIES.** The treatment of section
15 20.445 (3) (mc) ⁶⁴ (SECTION 474ac) of the statutes and the repeal of sections 14.18 and
16 20.525 (1) (kb) of the statutes take effect on January 6, 2003."

17

(END)



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0242/2
JTK:kmg:mrc

LFB:.....Mason – Assistance to governor from state agencies

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

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6 **3.** Page 124, line 22: delete “20.001 (1)” and substitute “16.70 (4)”.

7 **4.** Page 124, line 23: delete “state” and substitute “executive branch”.

8 **5.** Page 124, line 25: after that line insert:

9 “**SECTION 11ac.** 14.18 of the statutes, as created by 1999 Wisconsin Act (this
10 act), is repealed.”.

11 **6.** Page 443, line 8: after that line insert:

