

1999 DRAFTING REQUEST

Assembly Amendment (AA-AB133)

Received: **06/2/99**

Received By: **dykmapj**

Wanted: **Soon**

Identical to LRB:

For: **Legislative Fiscal Bureau 6-8114**

By/Representing: **Rhodes**

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

Drafter: **dykmapj**

May Contact:

Alt. Drafters:

Subject: **State Finance - bud generally
Legislature - miscellaneous**

Extra Copies: **JTK
RAC**

Pre Topic:

LFB:.....Rhodes -

Topic:

Statutory submission date for agency budget requests

Instructions:

See Attached eliminate the amendment of SECTION 68 (LRB-1139/1)

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>
/1	dykmapj 06/2/99	chanaman 06/2/99	jfrantze 06/2/99	_____	lrb_docadmin 06/2/99		

FE Sent For:

<END>

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/1	dykmapj 06/2/99	chanaman 06/2/99	lrb_wpo				
			<i>to 6/2</i>	<i>to me</i>			
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<END>



Legislative Fiscal Bureau

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

June 1, 1999

Joint Committee on Finance

Paper #183

Budget Request Submittal Date (DOA -- General Statutory Provisions)

[LFB 1999-01 Budget Summary: Page 78, #7]

CURRENT LAW

All agencies, other than the Legislature and the courts, are required to submit, no later than September 15th of each even-numbered year, to the Department of Administration and the Legislative Fiscal Bureau their biennial budget request in the form and content as prescribed by DOA. DOA is required to compile and submit to the Governor and the Legislature by November 20th of each even-numbered year a compilation of agency budget requests. Finally, the Governor is required to submit his or her budget message (and accompanying budget bill and book) to the Legislature no later than the last Tuesday in January in each odd-numbered year, unless the Governor requests and the Legislature approves, by adoption of a joint resolution, a later submittal date.

GOVERNOR

Modify current law to delete the uniform date of September 15th of each even-numbered year for submittal by state agencies of their budget requests to DOA and the Legislative Fiscal Bureau.

DISCUSSION POINTS

1. Prior to 1993 Wisconsin Act 16 (the 1993-95 biennial budget), the statutes specified that state agencies had to submit their biennial budget requests no later than a date as specified by DOA. Sometimes that date was established as a uniform date for all agencies and other times there were staggered dates varying by size of agency and governing structure (for example, whether a cabinet secretary or a policy board has final approval of the budget request). In Act 16, as part of a gubernatorial request to establish a later statutory date for submittal of the executive budget, that

budget initiative also requested establishment of the uniform September 15th agency submittal date. The Governor's request for the uniform September 15th submittal date was approved by the Legislature.

2. DOA indicates that it now believes that the statutory specification of a uniform submittal date for agency budget requests is not desirable for the following reasons:

- When DOA used to set the required submittal date administratively, it was usually about October 1 of each even-numbered year. DOA's hope in establishing a statutory date that was about two weeks earlier than that was to allow DOA to receive the agency budget requests that much earlier.

- However, DOA indicates that some agencies complain that the required submittal date is too early, especially if the agency is run by a part-time policy board which must approve the budget request before it is submitted to DOA. In addition, DOA has found that some of the larger agencies simply have trouble completing all the work involved in the budget preparation and submittal process by the September 15th deadline.

- Finally, DOA argues that even with the law, it is often difficult to get the cooperation of some agencies to take seriously and comply with the submittal date.

- The Department therefore believes that removing an inflexible statutory date for budget submittals would give the agency and the Governor greater flexibility to better manage the budget process.

3. Given the continually late submittal of executive budgets in recent years, it could be argued that any moving back of the current submittal date would be clearly disadvantageous from the Legislature's perspective. The structure and focus of the first session of the Legislature in the odd-number year is primarily geared to consideration and enactment of a biennial budget. The time constraints on the Legislative Reference Bureau drafting attorneys associated with developing the Governor's biennial budget slows the initial introduction of bills in the new session because of drafting backlogs. Further, floor session schedules for that first six-month period of each new Legislature are premised on the various stages set for legislative review of the budget and depend upon an expected receipt of the statutory budget on the due date to allow timely consideration of the executive budget. Even when a gubernatorial budget submission is delayed, the executive branch and the public still tend to believe that the Legislature needs to pass a budget by June 30th of the odd-numbered year before the new budget biennium begins. This has the result that to comply with that expectation the Legislature has to compress its review time rather than having the Governor start his or her review earlier and deliver the budget on time.

4. It could be argued that the Legislature's interest would, therefore, be best served by doing nothing to lessen the procedures and requirements that would ensure that the Legislature receives the executive budget no later than the last Tuesday in January of each odd-numbered year.

5. At the same time, if DOA and the Governor believe that removing the earlier than historically typical submittal date would somehow help in getting agencies to get their agency budget requests in on a timely basis so that DOA and the Governor may begin their timely review of agency requests, then the Committee could adopt language to allow DOA to set an alternative deadline date or dates for submittal of agency budget requests. However, to ensure at the same time that executive branch efforts are redoubled to ensure that executive budgets are delivered by the statutory date of the last Tuesday in January of the odd-numbered year, the Committee could add language to restrict the occasions under which any Governor, whether newly-elected or an incumbent, could request the Legislature to alter their part of the budget cycle by allowing a later budget submittal date. The Committee could newly specify that a delayed submittal date could be requested only by a newly elected, non-incumbent Governor. This would require the DOA and any sitting Governor to seriously consider the timelines it sets for agency budget submittals to ensure that that administration meets the statutory last Tuesday in January budget submittal date.

ALTERNATIVES

1. Approve the Governor's recommendation to delete the current September 15th of each even-numbered year date for submittal of agency budget requests and instead allow the Department of Administration to set the date administratively.

2. Approve the Governor's recommendation except further modify current law to allow only a non-incumbent, newly-elected Governor to request that the Legislature by joint resolution approve a submittal date for the executive budget that is later than the statutory date of the last Tuesday in January of each odd-numbered year.

3. Maintain current law.

Prepared by: Terry Rhodes



State of Wisconsin P-NOTE
1999 - 2000 LEGISLATURE

LRBb0481/1

PJD.....

cmH

*W.P.O.
please fix
topic line
on request
sheet*

Soon

LFB:.....Rhodes – Statutory submission date for agency budget requests

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 141, line 10: delete lines 10 to 15.

3 (END)

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBb0481/1

PJD.....

cmH

June 2, 1999

Terry Rhodes: This amendment deletes the provision permitting agencies to submit budget requests after September 15.

Atty. Peter J. Dykman
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E-mail: Peter.Dykman@legis.state.wi.us

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