

2001 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB1)

Received: 03/14/2001

Received By: **champra**

Wanted: **Today**

Identical to LRB:

For: **Frank Lasee (608) 266-9870**

By/Representing: **himself**

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

Drafter: **champra**

May Contact:

Alt. Drafters:

Subject: **State Finance - miscellaneous**

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Limitations on appropriations from general purpose revenue

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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FE Sent For:

<END>

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1?	champra	1 3/14 jld	2/3/14	2/6/KM 3/14			

FE Sent For:

<END>

3/13/01

Frank Lasee

ASA to AB1

Gov's ^{GPR} CAP provisions, but has ~~the~~ LFB

do DOA duties; do not include the new

tax relief fund & budget stabilization fund

provisions.



D-Note
State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-2326/2
RAC:wlj&jld:km

8:30 AM

LRBs 0075/1

2001 BILL

RAC:jld

ASA

to

2001 Assembly Bill 1

reg. cat.

1 AN ACT to create 13.40 and 16.46 (10) of the statutes; relating to: limitations
2 on appropriations from general purpose revenue.

Analysis by the Legislative Reference Bureau

This bill limits the aggregate amount of general purpose revenue (GPR) that may be appropriated in any fiscal biennium. Under the bill, the limit is calculated in the following way. First, a base year amount is established that equals the amount of GPR appropriated in the second year of the prior fiscal biennium. For the new fiscal biennium, the base year amount is multiplied by the sum of 1.0 and the annual percentage change in state aggregate personal income for the calendar year that begins on the January 1 that precedes the first year of the fiscal biennium. Then this amount is multiplied by the sum of 1.0 and the annual percentage change in state aggregate personal income for the calendar year that begins on the January 1 that precedes the second year of the fiscal biennium. The sum of these two amounts is the aggregate amount of GPR that may be appropriated during the fiscal biennium. Under the bill, the department of administration is required to make the determination of amount of GPR that may be appropriated for each fiscal biennium.

Under the bill, however, certain GPR appropriations are excluded from the limit. These are appropriations for debt service or operating notes; appropriations to honor a moral obligation pledge that the state has taken with respect to certain revenue bonds; appropriations to refund certain earnings to the federal government relating to state bond issues; an appropriation for legal expenses and the costs of judgments, orders, and settlements of actions and appeals incurred by the state; an appropriation to make a payment for tax relief; an appropriation to make a transfer

BILL

from the general fund to the budget stabilization fund; and any appropriation contained in a bill that is enacted with approval of at least two-thirds of the members of each house of the legislature.

For further information see the ~~state and local~~ fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 13.40[✓] of the statutes is created to read:

2 **13.40 Limitation on state appropriations from general purpose**
3 **revenue.** (1) In this section:

4 (a) "Fiscal biennium" means a 2-year period beginning on July 1 of an
5 odd-numbered year.

6 (b) "General purpose revenue" has the meaning given for "general purpose
7 revenues" in s. 20.001 (2) (a).

8 (2) Except as provided in sub. (3), 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 (g), as determined under sub. (4), 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), for the 2nd fiscal year of the
14 prior fiscal biennium as determined under sub. (4), multiplied by the sum of 1.0 and
15 the annual percentage change in this state's aggregate personal income, expressed
16 as a decimal, for the calendar year that begins on the January 1 that immediately
17 precedes the first year of the fiscal biennium, as estimated by the department of
18 revenue no later than December 5 of each even-numbered year.

BILL

1 (b) The amount determined under par. (a) multiplied by the sum of 1.0 and the
2 annual percentage change in this state's aggregate personal income, expressed as a
3 decimal, for the calendar year that begins on the January 1 that immediately
4 precedes the 2nd year of the fiscal biennium, as estimated by the department of
5 revenue no later than December 5 of each even-numbered year.

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

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

9 (b) An appropriation to honor a moral obligation undertaken pursuant to ss.
10 18.61 (5), 85.25 (5), 101.143 (9m) (i), 229.50 (7), 229.74 (7), 229.830 (7), 234.15 (4),
11 234.42 (4), 234.54 (4) (b), 234.626 (7), 234.93 (6), 234.932 (6), 234.933 (6), and 281.59
12 (13m).

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

15 (d) An appropriation contained in a bill that is enacted with approval of at least
16 two-thirds of the members of each house of the legislature.

17 (e) An appropriation for legal expenses and the costs of judgments, orders, and
18 settlements of actions and appeals incurred by the state.

19 (f) An appropriation to make a payment for tax relief under s. 20.835 (2).

20 (g) An appropriation to make a transfer from the general fund to the budget
21 stabilization fund under s. 20.875 (1) (a).

22 (4) For purposes of sub. (2), the ~~department of administration~~ shall determine
23 the amount appropriated from general purpose revenue for any fiscal biennium to
24 which sub. (2) applies. The ~~department of administration~~ shall make this
25 determination no later than December 31 of each even-numbered year ~~and shall~~

legislative fiscal bureau

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SECTION 1

1 include a statement of the determination in the biennial state budget report
2 prepared under s. 16.46.

3 SECTION 2. 16.46 (10) of the statutes is created to read:

4 16.46 (10) The determination of the department under s. 13.40 (4).

5 **SECTION 3. Nonstatutory provisions.**

6 (1) Notwithstanding section 13.40 (2) (a) and (b) of the statutes, as created by
7 this act, for the purpose of determining the amount that may be appropriated from
8 general purpose revenue for the 2001-03 biennium, the department of revenue shall
9 make the estimations required under section 13.40 (2) (a) and (b) of the statutes, as
10 created by this act, no later than the first day of the 2nd month beginning after the
11 effective date of this subsection.

12 (2) Notwithstanding section 13.40 (4) of the statutes, as created by this act, for
13 the purpose of determining the amount that may be appropriated from general
14 purpose revenue for the 2001-03 biennium, the department of administration shall
15 make the determination under section 13.40 (2) (a) and (b) of the statutes, as created
16 by this act, no later than the first day of the 2nd month beginning after the effective
17 date of this subsection.

18 (END)

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DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

50075/1
LRB-03201dn
RAC:jls:km

Jld

February 8, 2001

Substitute amendment

This bill creates a rule of procedure under article IV, section 8, of the constitution. The Wisconsin supreme court has held that the remedy for noncompliance with this type of provision lies exclusively within the legislative branch. See *State ex rel. La Follette v. Stitt*, 114 Wis. 2d 358, 363-369 (1983). In other words, while this type of provision may be effective to govern internal legislative procedure, the courts will not enforce this type of provision, and this provision does not affect the validity of any enactment resulting from a procedure that may be viewed as contravening the provision.

As drafted, this bill applies to appropriations for the 2001-03 biennium. Please note that if this bill is not enacted into law prior to passage of the biennial budget bill for the 2001-03 biennium, then the bill will have to be amended to first apply to appropriations for the 2003-05 fiscal biennium.

Rick A. Champagne
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Substitute amendment ✓

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRBs0075/1dn
RAC:jld:jf

March 14, 2001

This substitute amendment creates a rule of procedure under article IV, section 8, of the constitution. The Wisconsin supreme court has held that the remedy for noncompliance with this type of provision lies exclusively within the legislative branch. See *State ex rel. La Follette v. Stitt*, 114 Wis. 2d 358, 363-369 (1983). In other words, while this type of provision may be effective to govern internal legislative procedure, the courts will not enforce this type of provision, and this provision does not affect the validity of any enactment resulting from a procedure that may be viewed as contravening the provision.

As drafted, this substitute amendment applies to appropriations for the 2001-03 biennium. Please note that if this bill is not enacted into law prior to passage of the biennial budget bill for the 2001-03 biennium, then the bill will have to be amended to first apply to appropriations for the 2003-05 fiscal biennium.

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Barman, Mike

From: Barman, Mike
Sent: Wednesday, March 14, 2001 11:28 AM
To: Burri, Lance
Subject: LRB 01s0075/1 (per your request)



01s0075/1



01s0075/1dn

Mike Barman

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