

2001 DRAFTING REQUEST

Bill

Received: 11/06/2000

Received By: **jkreye**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget 6-5468**

By/Representing: **Ziegler**

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

Drafter: **jkreye**

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Pre Topic:

DOA:.....Ziegler -

Topic:

DOR's internal services appropriation

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>
/1	jkreye 11/07/2000	gilfokm 11/07/2000	jfrantze 11/08/2000	_____	lrb_docadmin 11/08/2000		State

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Wisconsin Department of Revenue
Administrative Services Division
September 7, 2000

TITLE: Internal Services Appropriation Modification

SUMMARY OF RECOMMENDATION:

Modify DOR's internal services appropriation [s.20.566(3)(k)] so that the program revenue-service appropriation has the ability to accept revenue from and make charges to all types of funding sources. Currently the appropriation is limited to PR and SEG funding sources.

DESCRIPTION OF CURRENT LAW AND PROBLEM:

1995 Wisconsin Act 27 authorized an appropriation under s. 20.566(3)(k) as a program revenue - services (PRS) account. It provides DOR with the limited ability to provide and charge agency program revenue (PR) and segregated revenue (SEG) appropriations for specific internal services. The limiting factor in the appropriation language is that it is only applicable to PR and SEG appropriations. To be a full functioning PRS appropriation, it must have the ability to interact with all funding sources, not just PR and SEG appropriations. A full functioning PRS would allow more accurate costing of certain internal services to all customers using the service instead of just a few because of their source of funding.

RECOMMENDATION FOR ACTION:

Establish a full functioning PRS for DOR by deleting the words "program revenue and segregated revenue funded" from the first sentence in s. 20.566(3)(k). This will eliminate the chargeback restriction and allow the PRS to provide services to all agency appropriations.

FISCAL/ADMINISTRATIVE IMPACT:

From an administrative perspective, DOR would be increasing its fiscal flexibility. Certain internal services could be shifted to the PRS allowing cost chargebacks to the users funding source (GPR, PR, or SEG). The PRS also has the ability to accumulate reserves to pay for anticipated future costs. This would be especially useful for replacement of common use equipment (replacement funding). It would also increase the focus on efficiency for administrative services and allow the shifting of resources to address priority needs within the department.

Increased expenditure authority will be necessary to provide certain internal services, which will be addressed in a decision item in the biennial budget request.



DRAFTING INSTRUCTIONS:

Delete the words .."program revenue and segregated revenue funded"... from the first sentence of s. 20.566(3)(k).

EFFECTIVE DATE OR INITIAL APPLICABILITY:

July 1, 2001

PERSON TO CONTACT: Richard E. Grade 266-8469



JK
KMG
RMR

DOA:.....Ziegler – DOR’s internal services appropriation

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

M 11-7-00

SOON

1 AN ACT ^{DONT GEN. CAT.} relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER GOVERNMENT

Under current law, DOR receives funds from a program revenue ~~services~~ appropriation account to provide internal services to DOR programs that are funded by program revenue or by segregated revenue. Under this bill, DOR receives funds from the program revenue ~~services~~ appropriation account to provide internal services to all DOR programs, regardless of how those programs are funded.

For further information see the *state* 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:

2 SECTION 1. 20.566 (3) (k) of the statutes is amended to read:

3 20.566 (3) (k) *Internal services.* The amounts in the schedule to provide

4 internal services to departmental ~~program revenue and segregated revenue~~ funded

1 programs. All moneys received by the department from the department for this
2 purpose shall be credited to this appropriation account.

3 **SECTION 9344. Initial applicability; revenue.**

4 (1) INTERNAL SERVICES. The treatment of section 20.566 (3) (k) of the statutes
5 first applies to internal services that are provided on July 1, 2001.

6 (END)



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-0930/1

JK:kmg:jf

DOA:.....Ziegler – DOR's internal services appropriation

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

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