

2005 DRAFTING REQUEST

Bill

Received: 12/22/2004

Received By: **rchampag**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Koskinen**

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

Drafter: **rchampag**

May Contact:

Addl. Drafters:

Subject: **State Finance - bud generally**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

DOA:.....Koskinen, BB0359 -

Topic:

Revision of fund conditional statement

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>
/?				_____			State
/1	rchampag 12/28/2004	jdyer 12/30/2004	chaugen 01/03/2005	_____	mbarman 01/03/2005		State
/2	rchampag 01/27/2005	wjackson 01/27/2005	rschluet 01/27/2005	_____	lemery 01/27/2005		

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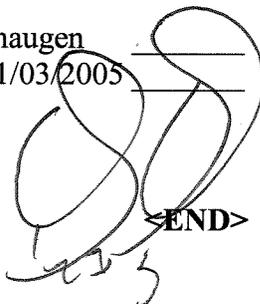
See Attached.

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FE Sent For:

1/2 WJ 1/27


<END>

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/?	rchampag	1/12/30 jld	ch 1-3	ch pub 1-3			

FE Sent For:

<END>

Champagne, Rick

From: Koskinen, John
Sent: Wednesday, December 22, 2004 4:12 PM
To: Champagne, Rick
Subject: RE: Drafting Request--s.16.46(5m)

I see my suggested strikes didn't make it through. Regardless, I think your repeal and recreation is sufficient. A simple statement of prepare an estimate of the next biennium's condition statement is a good one.

And, yes, make the accompanying change in s.13.95 (1m).

-----Original Message-----

From: Champagne, Rick [mailto:Rick.Champagne@legis.state.wi.us]
Sent: Wednesday, December 22, 2004 12:55 PM
To: Koskinen, John
Subject: RE: Drafting Request--s.16.46(5m)

John:

So, the idea is to repeal and recreate the entire subsection, reducing it to something like this:

"A statement of estimated general purpose revenue receipts and expenditures in the biennium following the succeeding biennium based on recommendations in the budget bill or bills. The department, in consultation with the legislative fiscal bureau, shall develop a methodology for developing the statement."

Should I do the same thing to s. 13.95 (1m)?

Rick

-----Original Message-----

From: Koskinen, John
Sent: Tuesday, December 21, 2004 4:45 PM
To: Champagne, Rick
Subject: Drafting Request--s.16.46(5m)

S. 16.46 (5m) requires the DOA to prepare a four-year fund conditional statement as part of the budget documents. That sections is remarkably detailed as to how to calculate the statements. The use of long-term averages can be misleading. Could you draft an amendment to that section dropping the specific requirements as to how to calculate it? Leave it to DOA and the LFB to figure out how to do it.

Something like this.

(5m) A statement of estimated general purpose revenue receipts and expenditures in the biennium following the succeeding biennium based on recommendations in the budget bill or bills. The statement shall contain all of the following:

- (a) For the 2nd year of the succeeding biennium, a comparison of the following:
1. The amount of moneys projected to be deposited in the general fund during the fiscal year that are designated as "Revenues and Transfers" in the summary in s. 20.005 (1), as published in the biennial budget bill or bills, less the amount designated as the "Opening Balance" in the summary, and adjusted by any one-time deposit of revenues in the general fund.
 2. The amount of moneys designated as "Total Expenditures" in the summary in s. 20.005 (1), as published in the biennial budget bill or bills, adjusted by any one-time expenditure of general purpose revenue in excess of \$5,000,000.

(b) An estimate of the cost of any provision in the biennial budget bill or bills that would, without the enactment of subsequent legislation, increase general purpose revenue expenditures or that would decrease the amount of revenues deposited in the general fund in the biennium following the succeeding biennium.

(c) 1. An estimate of the increase in general purpose revenue spending that will be required in the biennium following the succeeding biennium for all of the following:

- a. General equalization school aids.
 - b. Appropriations to the department of corrections.
 - c. The medical assistance program under subch. IV of ch. 49.
 - d. The amount designated as "Compensation Reserves" in the summary under s. 20.005 (1), as printed in the revised schedule that is approved under s. 20.004 (2) for that fiscal biennium.
 - e. Public debt contracted under subchs. I and IV of ch. 18.
2. For the purpose of making the calculation under subd. 1., the secretary shall assume that the increase in general purpose revenue spending between the succeeding biennium and the biennium following the succeeding biennium for each of the items identified in subd. 1. a. to 1. e. is the same as that between the current biennium and the succeeding biennium for these items, as proposed in the biennial budget bill or bills.

(d) An estimate of the difference between the amount of tax revenues that will be deposited in the general fund in the biennium following the succeeding biennium and the amount of tax revenues that are deposited in the general fund in the succeeding biennium. For the purpose of making this calculation, the secretary shall:

1. Assume that the amount of tax revenues that are deposited in the general fund in the succeeding biennium is the amount designated as "Taxes" in the summary in s. 20.005 (1), as published in the biennial budget bill or bills.
2. Assume that the annual increase in tax revenues that are deposited in the general fund in each fiscal year of the biennium following the succeeding biennium is the average of the annual increase for each of the 10 preceding fiscal years.
3. Adjust the estimate of the amount of tax revenues that are deposited in the general fund in the biennium following the succeeding biennium by any provision in the biennial budget bill or bills that would affect the amount of tax revenues that are deposited in the general fund in the biennium.

(e) 1. A comparison of the following:

a. The amount of moneys that are designated as "Revenues and Transfers" in the summary in s. 20.005 (1), as published in the biennial budget bill or bills, and that are available for appropriation in the 2nd year of the succeeding biennium.

b. An amount that equals the sum of the amount of moneys designated as "Total Expenditures" in the summary in s. 20.005 (1), as published in the biennial budget bill or bills, for the 2nd year of the succeeding biennium and the amount required to fund the increase in general purpose revenue spending in the biennium following the succeeding biennium for each of the items identified in par. (c) 1. a. to 1. e.

2. The secretary shall present this comparison in the format used for the statement of the condition of the general fund in the statement prepared under s. 20.005 (1).

(f) A summary of the amount of additional general purpose revenues that will be available in the biennium following the succeeding biennium for increased expenditures or tax reductions, other than the amount calculated in par.

(d).



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-1372/1

RAC:.....

JSON *1/3*

JLD

DOA:.....Koskinen - Revision of fund conditional statement

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

don't gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT ✓

STATE FINANCE ✓

Current law requires the secretary of administration to prepare a statement of estimated general purpose revenue receipts and expenditures in the biennium following the succeeding biennium based on recommendations in the executive biennial budget bill or bills. ✓ This statement is to accompany the biennial budget report that is submitted on the day that the ✓ governor delivers the budget message to the legislature. Current law also requires the Legislative Fiscal Bureau (LFB) to prepare the same statement but based on the recommendations in the executive biennial budget bill or bills, as modified by an amendment offered by ~~the Joint~~ ✓ Committee on Finance (JCF) ✓, as engrossed by the first house, as concurred in and amended by the second house or as nonconcurred in by the second house, or as reported by any committee on conference. The methodology used to prepare these statements is specified in the statutes. This bill requires DOA, after consulting with the LFB, to develop the methodology.

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:

Champagne, Rick

From: Koskinen, John
Sent: Thursday, January 27, 2005 11:38 AM
To: Champagne, Rick
Subject: FW: LRB Draft: 05-1372/1 Revision of fund conditional statement

Dave passed this by Bob Lang. After discussion, some revisions.

Lines 7 and 8. Remove the material beginning with "Using" and ending with (5m),".

Lines 15 to 17. Strike the final sentence.

-----Original Message-----

From: Haugen, Caroline [mailto:Caroline.Haugen@legis.state.wi.us]
Sent: Monday, January 03, 2005 10:38 AM
To: Koskinen, John
Cc: Hanaman, Cathlene; Haugen, Caroline; Merry-Mason, Monica
Subject: LRB Draft: 05-1372/1 Revision of fund conditional statement



05-1372/1

Following is the PDF version of draft 05-1372/1.



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-1372/2

RAC:jld:ch

TWLJ

RMR

DOA:.....Koskinen - Revision of fund conditional statement

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

Now please

Do Not Gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

STATE FINANCE

Current law requires the secretary of administration to prepare a statement of estimated general purpose revenue receipts and expenditures in the biennium following the succeeding biennium based on recommendations in the executive biennial budget bill or bills. This statement is to accompany the biennial budget report that is submitted on the day that the governor delivers the budget message to the legislature. Current law also requires the Legislative Fiscal Bureau (LFB) to prepare the same statement but based on the recommendations in the executive biennial budget bill or bills, as modified by an amendment offered by JCF, as engrossed by the first house, as concurred in and amended by the second house or as nonconcurred in by the second house, or as reported by any committee on conference. The methodology used to prepare these statements is specified in the statutes. This bill ~~requires~~ ^{allows →} allows DOA, after consulting with the LFB, to develop ~~the~~ ^{and} methodology. ^{and} ^{their own}

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:

1 **SECTION 1.** 13.95 (1m) of the statutes is repealed and recreated to read:

2 **13.95 (1m) DUTIES OF THE BUREAU; BIENNIAL BUDGET BILL.** (a) In this subsection,
3 “version of the biennial budget bill or bills” means the executive biennial budget bill
4 or bills, as modified by an amendment offered by the joint committee on finance, as
5 engrossed by the first house, as concurred in and amended by the 2nd house or as
6 nonconcurred in by the 2nd house, or as reported by any committee on conference.

7 (b) ~~Using the methodology developed by the department of administration~~
8 ~~under s. 16.46 (5m), the~~ legislative fiscal bureau shall prepare a statement of
9 estimated general purpose revenue receipts and expenditures in the biennium
10 following the succeeding biennium based on recommendations in each version of the
11 biennial budget bill or bills.

12 **SECTION 2.** 16.46 (5m) of the statutes is repealed and recreated to read:

13 **16.46 (5m)** A statement of estimated general purpose revenue receipts and
14 expenditures in the biennium following the succeeding biennium based on
15 recommendations in the budget bill or bills. ~~The department, after consulting with~~
16 ~~the legislative fiscal bureau, shall develop a methodology for preparing the~~
17 ~~statement.~~

18

(END)



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-1372/2
RAC:jld&wlj:rs

DOA:.....Koskinen, BB0359 - Revision of fund conditional statement
FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

STATE FINANCE

Current law requires the secretary of administration to prepare a statement of estimated general purpose revenue receipts and expenditures in the biennium following the succeeding biennium based on recommendations in the executive biennial budget bill or bills. This statement is to accompany the biennial budget report that is submitted on the day that the governor delivers the budget message to the legislature. Current law also requires the Legislative Fiscal Bureau (LFB) to prepare the same statement but based on the recommendations in the executive biennial budget bill or bills, as modified by an amendment offered by JCF, as engrossed by the first house, as concurred in and amended by the second house or as nonconcurrent in by the second house, or as reported by any committee on conference. The methodology used to prepare these statements is specified in the statutes. This bill allows DOA and LFB to develop their own methodology.

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:

