## Fiscal Estimate - 2005 Session

Original Dpdated	Corrected Suppl	emental		
LRB Number <b>05-4953/1</b>	Introduction Number SB-71	6		
Description Limitation on state appropriations from general purpose revenue				
Fiscal Effect				
Appropriations Reversible Appropriations Rev	ease Existing enues rease Existing enues  Decrease Costs - May to absorb within agence Types Decrease Costs			
Indeterminate  1. Increase Costs 3. Increase Revenue Permissive Mandatory 2. Decrease Costs 4. Decrease Revenue Permissive Mandatory Permissive Mandatory Decrease Revenue Decrease Revenue Decrease Revenue Decrease Revenue Decrease Revenue Districts Districts				
Fund Sources Affected Affected Ch. 20 Appropriations  GPR FED PRO PRS SEG SEGS				
Agency/Prepared By	Authorized Signature	Date		
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## Fiscal Estimate Narratives DOA 5/10/2006

LRB Number <b>05-4953/1</b>	Introduction Number SB-716	Estimate Type	Original	
Description				
Limitation on state appropriations from general purpose revenue				

## **Assumptions Used in Arriving at Fiscal Estimate**

Under current law (Wis. Stats. s. 13.40), the amount of GPR that can be appropriated in a given biennium is determined by a calculation using estimates from the Legislative Fiscal Bureau and the Department of Revenue. The calculation for year 1 of the upcoming biennium takes the base year GPR amount (year 2 of the current biennium) and multiplies it by the sum of 1.0 and the annual percentage change in state aggregate personal income for the previous calendar year. Similarly, the calculation for year 2 of the upcoming biennium uses the above amount multiplied by the sum of 1.0 and the annual percentage change in state aggregate personal income in the calendar year preceding year 2. The sum of these two amounts is the aggregate amount of GPR that may be appropriated during the fiscal biennium. Certain GPR appropriations are excluded from this calculation, including (but not limited to) appropriations for debt service, revenue bonds, payments to the federal government related to state bond issues, legal expenses and the costs of judgements and settlements, and appropriations to the Higher Educational Aids Board (HEAB), the Department of Public Instruction (DPI) and the Board of Regents of the University of Wisconsin System.

If enacted, this bill makes changes to excluded appropriations and entities when calculating the limits on GPR available for appropriation in a fiscal biennium. Specifically, it eliminates the exclusions for appropriations to the Higher Educational Aids Board, the Department of Public Instruction, and the Board of Regents of the University of Wisconsin System.

If enacted, this bill has no direct fiscal impact on the Department of Administration. It may, however, cause reductions in the amounts appropriated to these entities. Those reductions could result in requests for increased tuition charges at the UW System, and increased local property tax levies if school aids to localities are decreased.

**Long-Range Fiscal Implications**