

2017 DRAFTING REQUEST

**Bill**

For: David Craig (608) 266-5400

Drafter: rchampag

By: William

Secondary Drafters:

Date: 6/6/2017

May Contact:

Same as LRB:

Submit via email: YES  
Requester's email: Sen.Craig@legis.wisconsin.gov  
Carbon copy (CC) to:

**Pre Topic:**

No specific pre topic given

**Topic:**

Base budget review reports

**Instructions:**

See attached.

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	rchampag 6/8/2017	aernsttr 6/8/2017	hkohn 6/8/2017		State
/1			mbarman 6/8/2017	mbarman 6/8/2017	State

FE Sent For:

<END>

→ A+ Intro.

## **Champagne, Rick**

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**From:** Neville, William  
**Sent:** Tuesday, June 06, 2017 12:10 PM  
**To:** Champagne, Rick  
**Subject:** Drafting Request

Rick,

Sen. Craig would like a draft of zero-based budgeting found in Act 109 of 2001.

The draft:

Require every state agency, including the Legislature and the Courts, to periodically (once every third biennium) submit a base budget review report.

Specify that such report must include a description of each programmatic activity of the agency and provide for each such programmatic activity an accounting, by fund source, of expenditures for the prior three fiscal years and for the last two quarters of each of the prior three fiscal years.

Direct the Secretary of the Department of Administration to develop categories for state agencies to use in organizing the required expenditure information. Provide that such reports shall be included with agencies' budget requests and submitted to the Department of Administration and the Legislative Fiscal Bureau by September 15, of the even-numbered year in which an agency is required to prepare a base budget review report.

Specify that the Secretary of DOA, beginning with agency budget requests submitted for the 2019-21 biennium, select one-third of all state agencies to submit the required base budget review information for that biennial budget.

Require that for the 2019-21 biennium, the Secretary select half of the remaining agencies to submit their base budget review information for that biennium and stipulate that the remaining agencies would then be required to submit base budget review information for the 2021-23 biennial budget. The cycle would then be repeated in succeeding biennia.

William Neville  
Committee Clerk  
Office of Senator David Craig  
28th Senate District  
608.266.5400  
William.Neville@legis.wisconsin.gov

6. One member who represents the interests of a forest products company that owns and manages large tracts of private forest land that supply raw materials to the forest products industry.

7. One member who represents the interests of owners of nonindustrial, private forest land who manage the land to produce ecological, economic, and social benefits.

8. One member who represents the interests of counties that have county forests within their boundaries.

9. One member who represents the interests of the paper and pulp industry.

10. One member who represents the interests of the lumber industry.

11. One member who represents the interests of non-profit conservation organizations whose purposes include the conservation and use of forest resources.

12. One member who is a forester who engages in the practice of providing consultation services on forestry issues.

13. One member who represents the interests of schools of forestry within the state that have curricula in the management of forest resources that are accredited by the Society of American Foresters.

14. One member who represents the interests of persons who engage in the practice of conservation education.

15. One member who represents the interests of persons who are members of labor unions that are affiliated with the forestry industry.

16. One member who represents the interests of persons who are engaged in the practice of urban and community forestry.

17. One member who represents the interests of persons who are members of the Society of American Foresters.

18. One member who represents the interests of persons who are members of an organization of timber producers.

19. One person who represents the interests of persons who are engaged in an industry that uses secondary wood.

(b) Each member specified in par. (a) 2. to 5. shall be appointed in the same manner as members of standing committees are appointed.

(c) Each member specified in par. (a) 6. to 19. shall be nominated by the governor, and with the advice and consent of the senate appointed to serve a 5-year term.

(d) The governor shall annually appoint a chairperson for the council from among its members before the first meeting of each year, and the chairperson, at the first meeting of each year, shall annually appoint the vice chairperson and secretary from among the council's members. Any of these appointees may be appointed for successive terms.

(e) The council shall meet 4 times each year and shall also meet on the call of the chairperson of the council or on the call of a majority of its members. Notwithstanding s. 15.09 (3), the council shall meet at such locations within this state as may be designated by the chairperson of the council or by a majority of its members.

SECTION 15. 16.33 (1) (a) of the statutes is amended to read:

16.33 (1) (a) Subject to sub. (2), make grants or loans, directly or through agents designated under s. 16.334, from the ~~appropriation~~ appropriations under s. 20.505 (7) (b) ~~and (j)~~ to persons or families of low or moderate income to defray housing costs of the person or family.

SECTION 15c. 16.33 (1) (a) of the statutes, as affected by 2001 Wisconsin Act .... (this act), is amended to read:

16.33 (1) (a) Subject to sub. (2), make grants or loans, directly or through agents designated under s. 16.334, from the ~~appropriations~~ appropriation under s. 20.505 (7) (b) ~~and (j)~~ to persons or families of low or moderate income to defray housing costs of the person or family.

SECTION 16. 16.40 (24) of the statutes, as created by 2001 Wisconsin Act 16, is repealed.

SECTION 17q. 16.42 (1) (f) of the statutes is created to read:

16.42 (1) (f) The information required under s. 16.423.

SECTION 17r. 16.423 of the statutes is created to read:

**16.423 Base budget review reports.** (1) In this section, "state agency" has the meaning given in s. 20.001 (1).

(2) (a) During the 2001-03 fiscal biennium, the secretary shall require that one-third of all state agencies submit a report no later than September 15, 2002, and every 3rd fiscal biennium thereafter, that contains the information specified in sub. (3).

(b) During the 2003-05 fiscal biennium, the secretary shall require that 50% of the state agencies that did not submit a report under par. (a) submit a report no later than September 15, 2004, and every 3rd fiscal biennium thereafter, that contains the information specified in sub. (3).

(c) During the 2005-07 fiscal biennium, the secretary shall require that all state agencies created on or before September 15, 2006, that did not submit a report under par. (a) or (b) submit a report no later than September 15, 2006, and every 3rd fiscal biennium thereafter, that contains the information specified in sub. (3).

(d) Beginning in the 2005-07 fiscal biennium, the secretary shall require that any state agency created after September 15, 2006, submit a report no later than the September 15 in the even-numbered year that first occurs after the state agency is created, and every 3rd fiscal biennium thereafter, that contains the information specified in sub. (3).

Vetoed in Part  
Vetoed in Part  
Vetoed in Part  
Vetoed in Part

(3) A report submitted under this section shall contain at least all of the following:

(a) A description of each programmatic activity of the state agency.

(b) For each programmatic activity of the state agency, an accounting of all expenditures, arranged by revenue source and the categories specified in sub. (4), in each of the prior 3 fiscal years.

(c) For each programmatic activity of the state agency, an accounting of all expenditures, arranged by revenue source and the categories specified in sub. (4), in the last 2 quarters in each of the prior 3 fiscal years.

(4) The secretary shall develop categories for state agencies to use for the purpose of organizing the expenditure information that is required under sub. (3) (b) and (c).

**Vetoed In Part** SECTION 17s. 16.43 of the statutes, as affected by 2001 Wisconsin Act 16, is amended to read:

**16.43 Budget compiled.** The secretary shall compile and submit to the governor or the governor-elect and to each person elected to serve in the legislature during the next biennium, not later than November 20 of each even-numbered year, a compilation giving all of the data required by s. 16.46 to be included in the state budget report, except the recommendations of the governor and the explanation thereof. The secretary shall not include in the compilation any provision for the development or implementation of an information technology development project for an executive branch agency that is not consistent with the strategic plan of the agency, as approved under s. 22.13 16.976.

SECTION 17st. 16.46 (5g) of the statutes is created to read:

16.46 (5g) A summary of the information submitted to the department by state agencies under s. 16.423.

**Vetoed In Part** SECTION 17u. 16.501 (2) of the statutes is amended to read:

16.501 (2) Forward Wisconsin, Inc., shall expend funds appropriated under s. 20.143 (1) (bm) and (bp) in adherence with the uniform travel schedule amounts approved under s. 20.916 (8). Forward Wisconsin, Inc., may not expend funds appropriated under s. 20.143 (1) (bm) or (bp) on entertainment, foreign travel, or payments to persons not providing goods or services to Forward Wisconsin, Inc., or for other purposes prohibited by contract between Forward Wisconsin, Inc., and the department.

SECTION 17v. 16.501 (2) of the statutes, as affected by 2001 Wisconsin Act (this act), is amended to read:

16.501 (2) Forward Wisconsin, Inc., shall expend funds appropriated under s. 20.143 (1) (bm) and (bp) in adherence with the uniform travel schedule amounts approved under s. 20.916 (8). Forward Wisconsin, Inc., may not expend funds appropriated under s. 20.143 (1) (bm) or (bp) on entertainment, foreign travel, or payments to persons not providing goods or services to Forward Wisconsin, Inc., or for other purposes

prohibited by contract between Forward Wisconsin, Inc., and the department.

SECTION 18c. 16.505 (1) (intro.) of the statutes, as affected by 2001 Wisconsin Act 16, is amended to read:

16.505 (1) (intro.) Except as provided in subs. (2), (2m), (2n), and (2p), and (3m), no position, as defined in s. 230.03 (11), regardless of funding source or type, may be created or abolished unless authorized by one of the following:

SECTION 18r. 16.505 (3m) of the statutes is created to read:

16.505 (3m) (a) Annually, after July 1 but before August 1, each executive branch agency shall submit a report to the secretary identifying each position for that agency that became vacant during the preceding fiscal year.

(b) In any fiscal year, no executive branch agency may fill more than 80% of the total number of full-time equivalent positions for that agency that became vacant during the preceding fiscal year and were identified in the report submitted to the secretary under par. (a).

(c) Notwithstanding s. 16.50 (1), the secretary shall require each executive branch agency to submit expenditure estimates for the filling of all vacant full-time equivalent positions during each fiscal year and shall withhold approval of any expenditure estimate for the filling of a position that is inconsistent with the prohibition under par. (b).

(d) 1. In each fiscal year, the secretary shall abolish all vacant positions that may not be filled under par. (b) and shall identify the appropriations from which these abolished positions are funded.

2. From each sum certain appropriation of general purpose revenue identified in subd. 1, the secretary of administration shall lapse to the general fund the amount specified in subd. 1 for that appropriation. After the secretary makes the lapse, each sum certain appropriation is decreased by the amount specified in subd. 1 for that appropriation.

3. For each sum sufficient appropriation of general purpose revenue identified in subd. 1, the expenditure estimate for the appropriation is reestimated to subtract the amount specified in subd. 1 for that appropriation.

4. For each sum certain program revenue or program revenue-service appropriation identified in subd. 1, the secretary of administration shall decrease the appropriation by the amount specified in subd. 1 for that appropriation.

5. From each appropriation of segregated fund revenues or segregated fund revenues-service identified in subd. 1, the secretary shall lapse to the underlying fund the amount specified in subd. 1 for that appropriation. After the secretary makes the lapse, each of the sum certain segregated revenues or segregated revenues-service appropriations is decreased by the amount specified in subd. 1 for that appropriation and

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State of Wisconsin  
2017 - 2018 LEGISLATURE

LRB-3711/P1

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**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

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1 AN ACT ...; relating to: submission of base budget review reports by state  
2 agencies, the legislature, and the courts.

*Analysis by the Legislative Reference Bureau*

The bill requires that every state agency, including the legislature and the courts, submit a base budget review report once every 3rd biennium. The report must include a description of each programmatic activity of the agency and provide for each programmatic activity an accounting, by fund source, of expenditures for the prior 3 fiscal years and for the last 2 quarters of each of the prior 3 fiscal years. Under the bill, the secretary of administration must develop categories for state agencies to use in organizing the required expenditure information.

The bill provides that the reports must be included with state agency budget requests and submitted to DOA and the Legislative Fiscal Bureau by September 15, of the even-numbered year in which an agency is required to prepare a base budget review report. Under the bill, the secretary of administration, beginning with agency budget requests submitted for the 2019-2021 biennium, select one-third of all state agencies to submit the required base budget review information for that biennial budget. Require that for the 2021-23 biennium, the Secretary select half of the remaining agencies to submit their base budget review information for that biennium and stipulate that the remaining agencies would then be required to submit base budget review information for the 2023-25 biennial budget. The cycle would then be repeated in succeeding biennia.

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

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

1       ~~§~~ **SECTION 1.** 16.42 (1) (f) of the statutes is created to read:

2           16.42 (1) (f) The information required under s. 16.423.

3       ~~§~~ **SECTION 2.** 16.423 of the statutes is created to read:

4           **16.423 Base budget review reports.** (1) In this section, “state agency” has  
5 the meaning given in s. 20.001 (1).

6           (2) (a) During the 2017-19 fiscal biennium, the secretary shall require that  
7 one-third of all state agencies submit a report no later than September 15, 2018, and  
8 every 3rd fiscal biennium thereafter, that contains the information specified in sub.  
9 (3).

10           (b) During the 2019-21 fiscal biennium, the secretary shall require that 50%<sup>percent</sup>  
11 of the state agencies that did not submit a report under par. (a) submit a report no  
12 later than September 15, 2020, and every 3rd fiscal biennium thereafter, that  
13 contains the information specified in sub. (3).

14           (c) During the 2021-23 fiscal biennium, the secretary shall require that all  
15 state agencies created on or before September 15, 2022, that did not submit a report  
16 under par. (a) or (b) submit submit a report no later than September 15, 2022, and  
17 every 3rd fiscal biennium thereafter, that contains the information specified in sub.  
18 (3).

19           (d) Beginning in the 2021-23 fiscal biennium, the secretary shall require that  
20 any state agency created after September 15, 2022, submit a report no later than the  
21 September 15 in the even-numbered year that first occurs after the state agency is

1 created, and every 3rd fiscal biennium thereafter, that contains the information  
2 specified in sub. (3).

3 (3) A report submitted under this section shall contain at least all of the  
4 following:

5 (a) A description of each programmatic activity of the state agency.

6 (b) For each programmatic activity of the state agency, an accounting of all  
7 expenditures, arranged by revenue source and the categories specified in sub. (4), in  
8 each of the prior 3 fiscal years.

9 (c) For each programmatic activity of the state agency, an accounting of all  
10 expenditures, arranged by revenue source and the categories specified in sub. (4), in  
11 the last 2 quarters in each of the prior 3 fiscal years.

12 (4) The secretary shall develop categories for state agencies to use for the  
13 purpose of organizing the expenditure information that is required under sub. (3) (b)  
14 and (c).

15 ~~SECTION 3.~~ 16.46 (5g) of the statutes is created to read:

16 16.46 (5g) A summary of the information submitted to the department by state  
17 agencies under s. 16.423.

18

(END)



State of Wisconsin  
2017 - 2018 LEGISLATURE

LRB-3711/P1  
RAC:ahc

NOW

**PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION**

1     **AN ACT to create** 16.42 (1) (f), 16.423 and 16.46 (5g) of the statutes; **relating to:**  
2             submission of base budget review reports by state agencies, the legislature, and  
3             the courts.

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***Analysis by the Legislative Reference Bureau***

This bill requires that every state agency, including the legislature and the courts, submit a base budget review report once every third biennium. The report must include a description of each programmatic activity of the agency and provide for each programmatic activity an accounting, by fund source, of expenditures for the prior three fiscal years and for the last two quarters of each of the prior three fiscal years. Under the bill, the secretary of administration must develop categories for state agencies to use in organizing the required expenditure information.

The bill provides that the reports must be included with state agency budget requests and submitted to the Department of Administration and the Legislative Fiscal Bureau by September 15, of the even-numbered year in which an agency is required to prepare a base budget review report. Under the bill, the secretary of administration, beginning with agency budget requests submitted for the 2019-21 biennium, must select one-third of all state agencies to submit the required base budget review information for that biennial budget. In addition, the bill requires that for the 2021-23 biennium, the secretary select half of the remaining agencies to submit their base budget review information for that biennium and stipulate that the remaining agencies would then be required to submit base budget review information for the 2023-25 biennial budget. The cycle would then be repeated in succeeding biennia.



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

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

1           **SECTION 1.** 16.42 (1) (f) of the statutes is created to read:

2           16.42 (1) (f) The information required under s. 16.423.

3           **SECTION 2.** 16.423 of the statutes is created to read:

4           **16.423 Base budget review reports.** (1) In this section, “state agency” has  
5 the meaning given in s. 20.001 (1).

6           (2) (a) During the 2017-19 fiscal biennium, the secretary shall require that  
7 one-third of all state agencies submit a report no later than September 15, 2018, and  
8 every 3rd fiscal biennium thereafter, that contains the information specified in sub.  
9 (3).

10           (b) During the 2019-21 fiscal biennium, the secretary shall require that 50  
11 percent of the state agencies that did not submit a report under par. (a) submit a  
12 report no later than September 15, 2020, and every 3rd fiscal biennium thereafter,  
13 that contains the information specified in sub. (3).

14           (c) During the 2021-23 fiscal biennium, the secretary shall require that all  
15 state agencies created on or before September 15, 2022, that did not submit a report  
16 under par. (a) or (b) submit a report no later than September 15, 2022, and every 3rd  
17 fiscal biennium thereafter, that contains the information specified in sub. (3).

18           (d) Beginning in the 2021-23 fiscal biennium, the secretary shall require that  
19 any state agency created after September 15, 2022, submit a report no later than the  
20 September 15 in the even-numbered year that first occurs after the state agency is

1 created, and every 3rd fiscal biennium thereafter, that contains the information  
2 specified in sub. (3).

3 (3) A report submitted under this section shall contain at least all of the  
4 following:

5 (a) A description of each programmatic activity of the state agency.

6 (b) For each programmatic activity of the state agency, an accounting of all  
7 expenditures, arranged by revenue source and the categories specified in sub. (4), in  
8 each of the prior 3 fiscal years.

9 (c) For each programmatic activity of the state agency, an accounting of all  
10 expenditures, arranged by revenue source and the categories specified in sub. (4), in  
11 the last 2 quarters in each of the prior 3 fiscal years.

12 (4) The secretary shall develop categories for state agencies to use for the  
13 purpose of organizing the expenditure information that is required under sub. (3) (b)  
14 and (c).

15 **SECTION 3.** 16.46 (5g) of the statutes is created to read:

16 16.46 (5g) A summary of the information submitted to the department by state  
17 agencies under s. 16.423.

18

(END)

**Barman, Mike**

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**From:** LRB.Legal  
**To:** Sen.Craig@legis.wisconsin.gov  
**Subject:** Draft review: LRB -3711/1  
**Attachments:** 17-3711/1

Per RAC

**State of Wisconsin - Legislative Reference Bureau**  
**One East Main Street - Suite 200 - Madison**

The attached draft was prepared at your request. Please review it carefully to ensure that it satisfies your intent.

**We will jacket this draft for introduction in the Senate.**

If you have any questions concerning the draft or would like to have it redrafted, please contact Rick A. Champagne, Chief and General Counsel, at (608) 266-9930, at [rick.champagne@legis.wisconsin.gov](mailto:rick.champagne@legis.wisconsin.gov), or at One East Main Street, Suite 200.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will submit a request to DOA when the draft is introduced. You may obtain a fiscal estimate on the draft prior to introduction by contacting our program assistants at [LRB.Legal@legis.wisconsin.gov](mailto:LRB.Legal@legis.wisconsin.gov) or at (608) 266-3561. If you requested a fiscal estimate on an earlier version of this draft and would like to obtain a fiscal estimate on the current version before it is introduced, you will need to request a revised fiscal estimate from our program assistants.

**Please call our program assistants at (608) 266-3561 if you have any questions regarding this email.**