



**WISCONSIN LEGISLATIVE COUNCIL
AMENDMENT MEMO**

2017 Senate Bill 337

**Senate Amendment 1
and Assembly Substitute
Amendment 1**

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2017 SENATE BILL 337

2017 Senate Bill 337 reinstates a base budget reporting requirement that was enacted in the 2001-02 Biennial Budget Act and repealed in the 2009-10 Biennial Budget Act. Specifically, the bill requires the Department of Administration (DOA) to require all state agencies to submit a report every third biennium. The reports must contain at least all of the following information:

- A description of each programmatic activity of the state agency.
- For each programmatic activity of the state agency, an accounting of all expenditures, arranged by revenue source and by categories developed by DOA, in each of the prior three fiscal years.
- For each programmatic activity of the state agency, an accounting of all expenditures, arranged by revenue source and by categories developed by DOA, in the last two quarters in each of the prior three fiscal years.

The bill directs DOA to require one-third of state agencies to submit initial reports no later than September 15, 2018; one-third to submit initial reports no later than September 15, 2020; and the final one-third (and any newly created agencies) to submit initial reports no later than September 15, 2022. Later-created agencies must submit initial reports no later than the September 15 in the even-numbered year that first occurs after an agency is created.

The bill requires DOA to include a summary of the information received in those reports in its biennial budget report to the Legislature.

SENATE AMENDMENT 1

Senate Amendment 1 (SA 1) modifies the reporting requirement under the bill to require agencies to report every second, rather than every third, biennium. SA 1 directs DOA to require one-half of state agencies to submit initial reports no later than September 15, 2018 and the second half to submit initial reports no later than September 15, 2020. As under the bill, SA 1 requires later created agencies to submit initial reports no later than the September 15 in the even-numbered year that first occurs after an agency is created.

In designating which agencies report first, SA 1 requires DOA to make all reasonable efforts to ensure that state agencies with shared-programmatic activities submit their reports in the same fiscal year.

In addition, SA 1 requires additional information to be included in the reports. Under the amendment, a report must contain at least all of the following information:

- A description of each programmatic activity of the state agency.
- For each programmatic activity of the state agency, an accounting of all expenditures, arranged by revenue source and by categories developed by DOA, in every quarter of each of the prior three fiscal years.
- For each programmatic activity of the state agency, an analysis of whether the activity contributes to the mission of the agency and whether the objectives of the activity justify its expenditures.
- For each programmatic activity of the state agency, a determination of the minimum level of funding to achieve its objectives; an accounting of its current funding; and a calculation of what, if any, increased level of funding would achieve the activity's objectives.
- A description of the state agency mission or guiding principles.¹

Finally, SA 1 specifies that a report filed under the bill must be in a form that is consistent with the form used by a state agency before the prior base budget reporting law was repealed.

ASSEMBLY SUBSTITUTE AMENDMENT 1

Assembly Substitute Amendment 1 (ASA 1) replaces the bill and requires DOA to require all state agencies to submit a report no later than September 1, 2018, and then no later than May 15 in the even-numbered year in every biennium thereafter. The reports must contain at least all of the following information:

¹ If a state agency does not have an agency mission or guiding principles, SA 1 requires the state agency to adopt an agency mission or guiding principles and describe the mission or principles.

- For each appropriation of the state agency, an accounting of all expenditures in every quarter in each of the prior three fiscal years.
- For each appropriation of the state agency, an analysis of whether the appropriation contributes to the mission of the agency and whether the objectives of the appropriation justify its expenditures.
- For each appropriation of the state agency, a determination of the minimum level of funding to achieve its objectives, but not to exceed the prior fiscal year's base funding, and an accounting of its current funding.
- A description of the state agency mission or guiding principles. If a state agency does not have an agency mission or guiding principles, the state agency shall adopt an agency mission or guiding principles and describe the mission or principles in the report.

Under ASA 1, DOA must require that a state agency created after May 15, 2018 submit an initial report no later than May 15 in the even-numbered year that first occurs after the agency is created. ASA 1 also requires DOA to include a summary of the information received in those reports in its biennial budget report submitted to the Legislature.

BILL HISTORY

Senator Craig offered SA 1 on October 12, 2017. On October 19, 2017, the Senate Committee on Government Operations, Technology, and Consumer Protection voted to recommend adoption of the amendment and passage of the bill, as amended, on votes of Ayes, 3; Noes, 2. On November 7, 2017, the Senate adopted SA 1, and passed the bill, as amended, on voice votes.

ASA 1 was introduced by Representative Hutton on January 23, 2018. On that same day, the Assembly voted to adopt ASA 1 on a voice vote. The Assembly then voted to pass the bill, as amended, by a vote of Ayes, 59; Noes, 33. On February 20, 2018, the Senate voted to concur with the Assembly, on a voice vote.

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