AN ACT to create 16.475 of the statutes; relating to: preparing an additional executive budget bill or bills according to generally accepted accounting principles.

Analysis by the Legislative Reference Bureau

Under current law, there is no requirement that the executive budget bill be prepared according to generally accepted accounting principles (GAAP). GAAP are those principles for state and local governments adopted by the Governmental Accounting Standards Board (GASB). Organized in 1984, GASB is an independent organization founded to establish standards of financial accounting and reporting for state and local governmental entities. Its standards generally guide the preparation of external financial reports of those entities.

Under this bill, each biennium, in addition to the executive budget bill or bills prepared based on the standards applicable under current law, the Department of Administration is required to prepare an executive budget bill or bills according to GAAP.

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:


SECTION 1. 16.475 of the statutes is created to read:

16.475 Additional budget bill prepared according to generally accepted accounting principles. Each fiscal biennium, in addition to the executive budget bill or bills prepared under s. 16.47, and at the same time such bill or bills are prepared, the department shall prepare an executive budget bill or bills according to generally accepted accounting principles.

(END)