

1987 Senate Bill 26

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1987 Wisconsin Act 4

AN ACT to amend 13.09 (4), 13.093 (2) (b), 13.101 (3) (b), 13.101 (4), 16.40 (1), 16.42 (1) (intro.), 16.45, 16.47 (1m), 16.47 (2), 16.50 (3), 16.50 (5), 16.50 (7) (a), 16.517, 16.54 (8), 20.001 (3) (b), 20.001 (5), 20.002 (1), 20.928 (3) and 36.09 (1) (j); and to create 13.02 (3m), 16.476, 16.50 (8) and 73.03 (32) of the statutes, relating to requiring the governor to submit in 1988 an annual budget bill or bills for the 1988-89 fiscal year.

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

SECTION 1. 13.02 (3m) of the statutes is created to read:

13.02 (3m) As a part of the work schedule for the legislative session, the joint committee on legislative organization shall include an annual budget session beginning not later than the 4th week in January of the even-numbered year and ending not later than the date provided for the convening of the regular session of the legislature in that year. The annual budget session shall be scheduled for the purpose of considering an annual budget bill or bills under s. 16.476.

SECTION 1m. 13.02 (3m) of the statutes, as created by 1987 Wisconsin Act (this act), is repealed.

SECTION 2. 13.09 (4) of the statutes is amended to read:

13.09 (4) The joint committee on finance shall receive reports submitted under ss. 13.095, 13.105 (intro.), 13.106 (1) (intro.) and (2), 13.94 (1) (a) and (b), 16.004 (2) and (7) (b), 16.04 (1m), 16.40 (14), 16.50 (3), 16.513 (2) to (4), 16.528 (5), 16.531 (3), 16.54 (5) and (8), 16.544 (1) and (3), 16.545 (8), 16.82 (4) (c), 16.97 (3), 20.002 (10), 20.235 (1) (g), 23.31 (1), 35.03 (6), 36.09 (1) (j), 38.06 (3) (c), 39.16 (2) (im), 39.28 (3) (b), 44.20 (4) (b), 46.03 (18) (a), (24), (26) (intro.) and

(31), 49.45 (2) (a) 8 and 16 and (b) 2, 56.018, ~~73.03 (32)~~, 115.781, 146.90, 230.08 (4) (c), 234.25 (1), 234.65 (4) and 977.10.

SECTION 2m. 13.09 (4) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

13.09 (4) The joint committee on finance shall receive reports submitted under ss. 13.095, 13.105 (intro.), 13.106 (1) (intro.) and (2), 13.94 (1) (a) and (b), 16.004 (2) and (7) (b), 16.04 (1m), 16.40 (14), 16.50 (3), 16.513 (2) to (4), 16.528 (5), 16.531 (3), 16.54 (5) and (8), 16.544 (1) and (3), 16.545 (8), 16.82 (4) (c), 16.97 (3), 20.002 (10), 20.235 (1) (g), 23.31 (1), 35.03 (6), 36.09 (1) (j), 38.06 (3) (c), 39.16 (2) (im), 39.28 (3) (b), 44.20 (4) (b), 46.03 (18) (a), (24), (26) (intro.) and (31), 49.45 (2) (a) 8 and 16 and (b) 2, 56.018, ~~73.03 (32)~~, 115.781, 146.90, 230.08 (4) (c), 234.25 (1), 234.65 (4) and 977.10.

SECTION 3. 13.093 (2) (b) of the statutes is amended to read:

13.093 (2) (b) Executive budget bills introduced under s. 16.47 (1) and annual budget bills introduced under s. 16.476 are exempt from the fiscal estimate requirement under par. (a) but shall, if they contain a provision affecting a public retirement fund, affecting state debt or revenue obligations or providing a tax exemption, be analyzed as to those provisions by the

respective joint survey committee. If such a bill contains a provision affecting state debt or revenue obligations or providing a tax exemption, the bill shall be simultaneously referred to the respective joint survey committee and the joint committee on finance. The report of the joint survey committee on debt management and of the joint survey committee on tax exemptions shall be prepared within 60 days of introduction for bills introduced under s. 16.47 (1) and within 15 days of introduction for bills introduced under s. 16.476.

SECTION 3m. 13.093 (2) (b) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

13.093 (2) (b) Executive budget bills introduced under s. 16.47 (1) ~~and annual budget bills introduced under s. 16.476~~ are exempt from the fiscal estimate requirement under par. (a) but shall, if they contain a provision affecting a public retirement fund, affecting state debt or revenue obligations or providing a tax exemption, be analyzed as to those provisions by the respective joint survey committee. If such a bill contains a provision affecting state debt or revenue obligations or providing a tax exemption, the bill shall be simultaneously referred to the respective joint survey committee and the joint committee on finance. The report of the joint survey committee on debt management and of the joint survey committee on tax exemptions shall be prepared within 60 days of introduction for bills introduced under s. 16.47 (1) ~~and within 15 days of introduction for bills introduced under s. 16.476.~~

SECTION 4. 13.101 (3) (b) of the statutes is amended to read:

13.101 (3) (b) The committee may supplement an appropriation only for the fiscal biennium during which the committee takes the action to supplement the appropriation except that the committee may not supplement an appropriation for the 2nd fiscal year of the biennium before the enactment of an annual budget bill or bills under s. 16.476.

SECTION 4m. 13.101 (3) (b) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

13.101 (3) (b) The committee may supplement an appropriation only for the fiscal biennium during which the committee takes the action to supplement the appropriation ~~except that the committee may not supplement an appropriation for the 2nd fiscal year of the biennium before the enactment of an annual budget bill or bills under s. 16.476.~~

SECTION 5. 13.101 (4) of the statutes is amended to read:

13.101 (4) The committee may transfer between appropriations and programs if the committee finds that unnecessary duplication of functions can be eliminated, more efficient and effective methods for performing programs will result or legislative intent will be more effectively carried out because of such trans-

fer, if legislative intent will not be changed as the result of such transfer and the purposes for which the transfer is requested have been authorized or directed by the legislature. The authority to transfer between appropriations includes the authority to transfer between 2 fiscal years of the same biennium, between 2 appropriations of the same agency and between an appropriation of one agency and an appropriation of a different agency. The committee may not transfer between 2 fiscal years of the same fiscal biennium before the enactment of an annual budget bill or bills under s. 16.476. No transfer between appropriations or programs may be made to offset deficiencies arising from the lack of adequate expenditure controls by a department, board, institution, commission or agency. The authority to transfer between appropriations shall not include the authority to transfer from sum sufficient appropriations as defined under s. 20.001 (3) (d) to other types of appropriations.

SECTION 5m. 13.101 (4) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

13.101 (4) The committee may transfer between appropriations and programs if the committee finds that unnecessary duplication of functions can be eliminated, more efficient and effective methods for performing programs will result or legislative intent will be more effectively carried out because of such transfer, if legislative intent will not be changed as the result of such transfer and the purposes for which the transfer is requested have been authorized or directed by the legislature. The authority to transfer between appropriations includes the authority to transfer between 2 fiscal years of the same biennium, between 2 appropriations of the same agency and between an appropriation of one agency and an appropriation of a different agency. The committee may not transfer between 2 fiscal years of the same fiscal biennium before the enactment of an annual budget bill or bills under s. 16.476. No transfer between appropriations or programs may be made to offset deficiencies arising from the lack of adequate expenditure controls by a department, board, institution, commission or agency. The authority to transfer between appropriations shall not include the authority to transfer from sum sufficient appropriations as defined under s. 20.001 (3) (d) to other types of appropriations.

SECTION 6. 16.40 (1) of the statutes is amended to read:

16.40 (1) (title) PREPARE BUDGETS. Discharge all duties in connection with the compilation both of the biennial state budget report imposed by ss. 16.42 to 16.46 and an annual budget bill or bills under s. 16.476.

SECTION 6m. 16.40 (1) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.40 (1) (title) PREPARE BUDGETS. Discharge all duties in connection with the compilation ~~both~~ of the

biennial state budget report imposed by ss. 16.42 to 16.46 ~~and an annual budget bill or bills under s. 16.476.~~

SECTION 7. 16.42 (1) (intro.) of the statutes is amended to read:

16.42 (1) (intro.) All agencies, other than the legislature and the courts, prior to each ~~budget period~~ fiscal biennium on the date and in the form and content prescribed by the department shall prepare and forward to the department and to the legislative fiscal bureau the following program and financial information:

SECTION 7m. 16.42 (1) (intro.) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.42 (1) (intro.) All agencies, other than the legislature and the courts, prior to each ~~fiscal biennium~~ budget period on the date and in the form and content prescribed by the department shall prepare and forward to the department and to the legislative fiscal bureau the following program and financial information:

SECTION 8. 16.45 of the statutes is amended to read:

16.45 Budget message to legislature. In each regular session of the legislature, the governor shall deliver his biennial budget message to the 2 houses in joint session assembled. Unless a later date is requested by the governor and approved by the legislature in the form of a joint resolution, the budget message shall be delivered on or before the last Tuesday in January of the odd-numbered year. With such message the governor shall transmit to the legislature the biennial state budget report and the executive budget bills together with suggestions for the best methods for raising the needed revenues.

SECTION 8m. 16.45 of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.45 Budget message to legislature. In each regular session of the legislature, the governor shall deliver his ~~biennial~~ budget message to the 2 houses in joint session assembled. Unless a later date is requested by the governor and approved by the legislature in the form of a joint resolution, the budget message shall be delivered on or before the last Tuesday in January ~~of the odd-numbered year~~. With such message the governor shall transmit to the legislature the biennial state budget report and the executive budget bills together with suggestions for the best methods for raising the needed revenues.

SECTION 9. 16.47 (1m) of the statutes is amended to read:

16.47 (1m) Immediately after the delivery of the biennial budget message, the biennial budget bill or bills shall be introduced without change into either house by the joint finance committee and when introduced shall be referred to that committee.

SECTION 9m. 16.47 (1m) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.47 (1m) Immediately after the delivery of the ~~biennial~~ budget message, the biennial budget bill or bills shall be introduced without change into either house by the joint finance committee and when introduced shall be referred to that committee.

SECTION 10. 16.47 (2) of the statutes is amended to read:

16.47 (2) No bill containing an appropriation or increasing the cost of state government or decreasing state revenues in an annual amount exceeding \$10,000 shall be passed by either house until the biennial budget bill has passed both houses; except that the governor or the joint committee on finance may recommend such bills to the presiding officer of either house, in writing, for passage and the legislature may enact them, and except that the senate or assembly committee on organization may recommend to the presiding officer of its respective house any such bill not affecting state finances by more than \$100,000 biennially. Such bills shall be accompanied by a statement to the effect that they are emergency bills recommended by the governor, the joint committee on finance, or the senate or assembly committee on organization. Such statement by the governor or joint committee on finance shall be sufficient to permit passage prior to the biennial budget bill. Such statement by the senate or assembly committee on organization shall be effective only to permit passage by its respective house.

SECTION 10m. 16.47 (2) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.47 (2) No bill containing an appropriation or increasing the cost of state government or decreasing state revenues in an annual amount exceeding \$10,000 shall be passed by either house until the ~~biennial~~ budget bill has passed both houses; except that the governor or the joint committee on finance may recommend such bills to the presiding officer of either house, in writing, for passage and the legislature may enact them, and except that the senate or assembly committee on organization may recommend to the presiding officer of its respective house any such bill not affecting state finances by more than \$100,000 biennially. Such bills shall be accompanied by a statement to the effect that they are emergency bills recommended by the governor, the joint committee on finance, or the senate or assembly committee on organization. Such statement by the governor or joint committee on finance shall be sufficient to permit passage prior to the biennial budget bill. Such statement by the senate or assembly committee on organization shall be effective only to permit passage by its respective house.

SECTION 11. 16.476 of the statutes is created to read:

16.476 Annual budget. (1) In each even-numbered year, the governor shall not later than the last Tuesday in January submit to the joint committee on finance his or her recommended annual budget bill draft or drafts incorporating any needed changes in appropriations or revenues for the current biennium.

(2) Upon submittal of the annual budget bill draft or drafts, the joint committee on finance shall introduce the bill or bills without change in either house of the legislature. When introduced, the bill or bills shall be referred to that committee.

SECTION 11m. 16.476 of the statutes, as created by 1987 Wisconsin Act (this act), is repealed.

SECTION 12. 16.50 (3) of the statutes is amended to read:

16.50 (3) **LIMITATION ON INCREASE OF FORCE AND SALARIES.** No department, except the legislature or the courts, may increase the pay of any employe, expend money or incur any obligation except in accordance with the estimate that is submitted to the secretary as provided in sub. (1) and approved by the secretary or the governor. No change in the number of full-time equivalent positions authorized through the biennial or annual budget process or other legislative act may be made without the approval of the joint committee on finance, except for position changes made by the governor under s. 16.505 (1) (c) or (2). The secretary may withhold, in total or in part, the funding for any position, as defined in s. 230.03 (11), as well as the funding for part-time or limited term employes until such time as the secretary determines that the filling of the position or the expending of funds is consistent with the intent of the legislature as established by law or in budget determinations, or the intent of the joint committee on finance creating or abolishing positions under s. 13.10, or the intent of the governor creating or abolishing positions under s. 16.505 (1) (c) or (2). Until the release of funding occurs, recruitment or certification for the position may not be undertaken. The secretary shall submit a quarterly report to the joint committee on finance of any position changes made by the governor under s. 16.505 (1) (c). No pay increase may be approved unless it is at the rate or within the pay ranges prescribed in the compensation plan or as provided in a collective bargaining agreement under subch. V of ch. 111. At the request of the secretary of employment relations, the secretary of administration may authorize the temporary creation of pool or surplus positions under any source of funds if the secretary of employment relations determines that temporary positions are necessary to maintain adequate staffing levels for high turnover classifications, in anticipation of attrition, to fill positions for which recruitment is difficult. Surplus or pool positions authorized by the secretary shall be reported quarterly to the joint committee on finance in conjunction with the report required under s. 16.54 (8).

SECTION 12m. 16.50 (3) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.50 (3) **LIMITATION ON INCREASE OF FORCE AND SALARIES.** No department, except the legislature or the courts, may increase the pay of any employe, expend money or incur any obligation except in accordance with the estimate that is submitted to the secretary as provided in sub. (1) and approved by the secretary or the governor. No change in the number of full-time equivalent positions authorized through the biennial ~~or annual~~ budget process or other legislative act may be made without the approval of the joint committee on finance, except for position changes made by the governor under s. 16.505 (1) (c) or (2). The secretary may withhold, in total or in part, the funding for any position, as defined in s. 230.03 (11), as well as the funding for part-time or limited term employes until such time as the secretary determines that the filling of the position or the expending of funds is consistent with the intent of the legislature as established by law or in budget determinations, or the intent of the joint committee on finance creating or abolishing positions under s. 13.10, or the intent of the governor creating or abolishing positions under s. 16.505 (1) (c) or (2). Until the release of funding occurs, recruitment or certification for the position may not be undertaken. The secretary shall submit a quarterly report to the joint committee on finance of any position changes made by the governor under s. 16.505 (1) (c). No pay increase may be approved unless it is at the rate or within the pay ranges prescribed in the compensation plan or as provided in a collective bargaining agreement under subch. V of ch. 111. At the request of the secretary of employment relations, the secretary of administration may authorize the temporary creation of pool or surplus positions under any source of funds if the secretary of employment relations determines that temporary positions are necessary to maintain adequate staffing levels for high turnover classifications, in anticipation of attrition, to fill positions for which recruitment is difficult. Surplus or pool positions authorized by the secretary shall be reported quarterly to the joint committee on finance in conjunction with the report required under s. 16.54 (8).

SECTION 13. 16.50 (5) of the statutes is amended to read:

16.50 (5) **DISBURSEMENTS.** The secretary may not draw a warrant for payment of any expenditures incurred by any department nor may any department make any expenditure for which the approval of the secretary or the governor is necessary under this section, including any expenditure under s. 20.867, unless the expenditure was made in accordance with an estimate submitted to and approved by the secretary or by the governor. In the event that the secretary determines that previously authorized expenditures will exceed revenues in the current ~~or forthcoming~~ fiscal year by more than 0.5% of the estimated general pur-

pose revenue appropriations for that fiscal year, he or she may not decline to approve an estimate or to draw a warrant under this subsection, but shall instead proceed under sub. (7).

SECTION 13m. 16.50 (5) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.50 (5) **DISBURSEMENTS.** The secretary may not draw a warrant for payment of any expenditures incurred by any department nor may any department make any expenditure for which the approval of the secretary or the governor is necessary under this section, including any expenditure under s. 20.867, unless the expenditure was made in accordance with an estimate submitted to and approved by the secretary or by the governor. In the event that the secretary determines that previously authorized expenditures will exceed revenues in the current or forthcoming fiscal year by more than 0.5% of the estimated general purpose revenue appropriations for that fiscal year, he or she may not decline to approve an estimate or to draw a warrant under this subsection, but shall instead proceed under sub. (7).

SECTION 14. 16.50 (7) (a) of the statutes is amended to read:

16.50 (7) (a) If following the enactment of the biennial budget act in any biennium the secretary determines that previously authorized expenditures will exceed revenues in the ~~current or forthcoming~~ first fiscal year of the biennium by more than one-half of one percent of the estimated general purpose revenue appropriations for that fiscal year, he or she may not take any action under sub. (2) and shall immediately notify the governor, the presiding officers of each house of the legislature and the joint committee on finance.

SECTION 14m. 16.50 (7) (a) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.50 (7) (a) If following the enactment of the biennial budget act in any biennium the secretary determines that previously authorized expenditures will exceed revenues in the ~~first~~ current or forthcoming fiscal year ~~of the biennium~~ by more than one-half of one percent of the estimated general purpose revenue appropriations for that fiscal year, he or she may not take any action under sub. (2) and shall immediately notify the governor, the presiding officers of each house of the legislature and the joint committee on finance.

SECTION 15. 16.50 (8) of the statutes is created to read:

16.50 (8) **REVENUE SHORTFALL; ANNUAL BUDGET.**
(a) If following the enactment of an annual budget act or acts under s. 16.476 in any biennium the secretary determines that previously authorized expenditures will exceed revenues in the first or 2nd fiscal year of the biennium by more than 0.5% of the estimated general purpose revenue appropriations for that fiscal

year, he or she may not take any action under sub. (2) and shall immediately notify the governor, the presiding officers of each house of the legislature and the joint committee on finance.

(b) Following such notification, the governor shall submit a bill containing his or her recommendations for correcting the imbalance between projected revenues and authorized expenditures. If the legislature is not in a floorperiod at the time of the secretary's notification, the governor shall call a special session of the legislature to take up the matter of the projected revenue shortfall and the governor shall submit his or her bill for consideration at that session.

SECTION 15m. 16.50 (8) of the statutes, as created by 1987 Wisconsin Act (this act), is repealed.

SECTION 16. 16.517 of the statutes is amended to read:

16.517 Adjustments of program revenue positions and funding levels. No later than 30 days after the effective date of each biennial and each annual budget act, the department shall provide to the joint committee on finance a report indicating any initial modifications that are necessary to the appropriation levels established under that act for program revenue and program revenue-service appropriations as defined in s. 20.001 (2) (b) and (c) or to the number of full-time equivalent positions funded from program revenue and program revenue-service appropriations authorized by that act to account for any additional funding or positions authorized under ss. 16.505 (2) and 16.515 in the fiscal year immediately preceding the biennium or fiscal year of the budget and not included in authorizations under the biennial or annual budget act but which should be included as continued budget authorizations in the biennium or fiscal year of the budget. Such modifications shall be limited to adjustment of the appropriation or position levels to the extent required to account for higher base levels for the fiscal year immediately preceding the biennium or fiscal year of the budget due to appropriation or position increases authorized under ss. 16.505 (2) and 16.515 subsequent to October 1 of the fiscal year immediately preceding the biennium or fiscal year of the budget and prior to June 30 of that fiscal year. If the cochairpersons of the committee do not notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the proposed modifications within 14 working days after the date of the department's report, the modifications may be made. If, within 14 working days after the date of the department's report, the cochairpersons of the committee notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the proposed modifications, the department may not make the modifications until the committee approves the report.

SECTION 16m. 16.517 of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.517 Adjustments of program revenue positions and funding levels. No later than 30 days after the effective date of each biennial ~~and each annual~~ budget act, the department shall provide to the joint committee on finance a report indicating any initial modifications that are necessary to the appropriation levels established under that act for program revenue and program revenue-service appropriations as defined in s. 20.001 (2) (b) and (c) or to the number of full-time equivalent positions funded from program revenue and program revenue-service appropriations authorized by that act to account for any additional funding or positions authorized under ss. 16.505 (2) and 16.515 in the fiscal year immediately preceding the biennium ~~or fiscal year~~ of the budget and not included in authorizations under the biennial ~~or annual~~ budget act but which should be included as continued budget authorizations in the biennium ~~or fiscal year~~ of the budget. Such modifications shall be limited to adjustment of the appropriation or position levels to the extent required to account for higher base levels for the fiscal year immediately preceding the biennium ~~or fiscal year~~ of the budget due to appropriation or position increases authorized under ss. 16.505 (2) and 16.515 subsequent to October 1 of the fiscal year immediately preceding the biennium ~~or fiscal year~~ of the budget and prior to June 30 of that fiscal year. If the cochairpersons of the committee do not notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the proposed modifications within 14 working days after the date of the department's report, the modifications may be made. If, within 14 working days after the date of the department's report, the cochairpersons of the committee notify the secretary that the committee has scheduled a meeting for the purpose of reviewing the proposed modifications, the department may not make the modifications until the committee approves the report.

SECTION 17. 16.54 (8) of the statutes is amended to read:

16.54 (8) An agency may request the governor to create or abolish a full-time equivalent position or portion thereof funded from revenues specified in s. 20.001 (2) (e) in the agency. Upon receiving such a request, the governor may change the authorized level of full-time equivalent positions funded from such revenues in the agency. The governor may approve a different authorized level of positions than is requested by the agency. The governor, through the secretary, shall notify the joint committee on finance at least quarterly of any federal funds received in excess of those approved in the biennial or annual budget process and of any positions created or abolished under this section.

SECTION 17m. 16.54 (8) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

16.54 (8) An agency may request the governor to create or abolish a full-time equivalent position or portion thereof funded from revenues specified in s. 20.001 (2) (e) in the agency. Upon receiving such a request, the governor may change the authorized level of full-time equivalent positions funded from such revenues in the agency. The governor may approve a different authorized level of positions than is requested by the agency. The governor, through the secretary, shall notify the joint committee on finance at least quarterly of any federal funds received in excess of those approved in the biennial ~~or annual~~ budget process and of any positions created or abolished under this section.

SECTION 18. 20.001 (3) (b) of the statutes is amended to read:

20.001 (3) (b) *Biennial appropriations.* Biennial appropriations, indicated by the abbreviation "B" in s. 20.005, are appropriations which are expendable only for the biennium for which made. Dollar amounts shown in the schedule under s. 20.005 represent the most reliable estimates of the amounts which will be expended in each fiscal year, the total for both years being the biennial appropriation. For accounting purposes ~~and for the administration of s. 20.002~~ (4), the appropriation for the first year of a biennium shall be the sum of the expenditures for such year plus the outstanding encumbrances at the close of such year; the unencumbered balance at the close of the first year shall, subject to s. 20.002 (1), constitute the appropriation for the 2nd year of the biennium. At the end of the biennium the unencumbered balances shall revert to the fund from which appropriated unless the appropriation is a program revenue or program revenue-service appropriation and indicates the moneys are to be credited to the account for that appropriation, in which case all unencumbered balances shall be retained in that appropriation account. Biennial appropriations are indicated in ss. 20.115 to 20.875 by the introductory phrase "biennially".

SECTION 18m. 20.001 (3) (b) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

20.001 (3) (b) *Biennial appropriations.* Biennial appropriations, indicated by the abbreviation "B" in s. 20.005, are appropriations which are expendable only for the biennium for which made. Dollar amounts shown in the schedule under s. 20.005 represent the most reliable estimates of the amounts which will be expended in each fiscal year, the total for both years being the biennial appropriation. For accounting purposes and for the administration of s. 20.002 (1), the appropriation for the first year of a biennium shall be the sum of the expenditures for such year plus the outstanding encumbrances at the close of such year; the unencumbered balance at the close of the first year shall, ~~subject to s. 20.002 (1)~~, constitute the appropriation for the 2nd year of the biennium. At the end of the biennium the unencumbered balances

shall revert to the fund from which appropriated unless the appropriation is a program revenue or program revenue-service appropriation and indicates the moneys are to be credited to the account for that appropriation, in which case all unencumbered balances shall be retained in that appropriation account. Biennial appropriations are indicated in ss. 20.115 to 20.875 by the introductory phrase "biennially".

SECTION 19. 20.001 (5) of the statutes is amended to read:

20.001 (5) REFUND OF EXPENDITURES. Amounts received by a state agency as a result of adjustments made to previously recorded expenditures in a sum certain appropriation due to activities that are of a temporary nature or activities that could not be anticipated during budget development, which serve to reduce an original expenditure under an appropriation in the same fiscal year in which the expenditure was made shall be designated as refunds of expenditures. Unless otherwise appropriated under this chapter, a refund of an expenditure shall be deposited by the receiving state agency under the appropriation from which the original expenditure was made. After submission and approval of an estimate of the amount proposed to be spent under s. 16.50, a state agency may expend the moneys received from the refund of the expenditure, subject to s. 20.002 (1).

SECTION 19m. 20.001 (5) of the statutes, as affected by 1987 Wisconsin Act ... (this act), is amended to read:

20.001 (5) REFUND OF EXPENDITURES. Amounts received by a state agency as a result of adjustments made to previously recorded expenditures in a sum certain appropriation due to activities that are of a temporary nature or activities that could not be anticipated during budget development, which serve to reduce an original expenditure under an appropriation in the same fiscal year in which the expenditure was made shall be designated as refunds of expenditures. Unless otherwise appropriated under this chapter, a refund of an expenditure shall be deposited by the receiving state agency under the appropriation from which the original expenditure was made. After submission and approval of an estimate of the amount proposed to be spent under s. 16.50, a state agency may expend the moneys received from the refund of the expenditure, subject to s. 20.002 (1).

SECTION 20. 20.002 (1) of the statutes is amended to read:

20.002 (1) EFFECTIVE PERIOD OF APPROPRIATIONS. Unless otherwise provided appropriations shall become effective on July 1 of the fiscal year shown in the schedule under s. 20.005 and shall be expendable until the following June 30 except that appropriations for the 2nd fiscal year of a fiscal biennium shall not be in effect until the enactment of an annual budget bill or bills under s. 16.476. If the legislature does not amend or eliminate any existing appropriation on or before July 1 of the an odd-numbered years year, such

existing appropriations provided for the previous fiscal year shall be in effect in the new fiscal year and all subsequent fiscal years until amended or eliminated by the legislature except that if an annual budget bill or bills under s. 16.476 are introduced but at least one annual budget bill under s. 16.476 is not enacted on or before July 1 of an even-numbered year, all appropriations existing on June 30 of the same even-numbered year shall continue in effect in the new fiscal year and all subsequent fiscal years until amended or eliminated by the legislature. If the biennial state budget has not been enacted on or before June 30 of the odd-numbered year, the department of administration may, for accounting purposes, adjust its appropriation account structure, beginning on July 1 of the odd-numbered year, to reflect the appropriation account structure in the biennial state budget.

SECTION 20m. 20.002 (1) of the statutes, as affected by 1987 Wisconsin Act ... (this act), is amended to read:

20.002 (1) EFFECTIVE PERIOD OF APPROPRIATIONS. Unless otherwise provided appropriations shall become effective on July 1 of the fiscal year shown in the schedule under s. 20.005 and shall be expendable until the following June 30 ~~except that appropriations for the 2nd fiscal year of a fiscal biennium shall not be in effect until the enactment of an annual budget bill or bills under s. 16.476.~~ If the legislature does not amend or eliminate any existing appropriation on or before July 1 of ~~an the odd-numbered year years~~, such existing appropriations provided for the previous fiscal year shall be in effect in the new fiscal year and all subsequent fiscal years until amended or eliminated by the legislature except that if an annual budget bill or bills under s. 16.476 are introduced but at least one annual budget bill under s. 16.476 is not enacted on or before July 1 of an even-numbered year, all appropriations existing on June 30 of the same even-numbered year shall continue in effect in the new fiscal year and all subsequent fiscal years until amended or eliminated by the legislature. If the biennial state budget has not been enacted on or before June 30 of the odd-numbered year, the department of administration may, for accounting purposes, adjust its appropriation account structure, beginning on July 1 of the odd-numbered year, to reflect the appropriation account structure in the biennial state budget.

SECTION 21. 20.928 (3) of the statutes is amended to read:

20.928 (3) All compensation adjustments for state employees approved by the legislature shall take effect and be earned at the beginning of the pay period closest to July 1 or the date prescribed by law or by the appropriate authority. In the odd-numbered years, payments for such adjustments, including payments under collective bargaining agreements, may not be made prior to enactment of the biennial budget bill. In the even-numbered years, payments for such adjustments, including payments under collective bar-

gaining agreements, may not be made prior to enactment of an annual budget bill or bills under s. 16.476.

SECTION 21m. 20.928 (3) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

20.928 (3) All compensation adjustments for state employes approved by the legislature shall take effect and be earned at the beginning of the pay period closest to July 1 or the date prescribed by law or by the appropriate authority. In the odd-numbered years, payments for such adjustments, including payments under collective bargaining agreements, may not be made prior to enactment of the biennial budget bill. ~~In the even-numbered years, payments for such adjustments, including payments under collective bargaining agreements, may not be made prior to enactment of an annual budget bill or bills under s. 16.476.~~

SECTION 22. 36.09 (1) (j) of the statutes is amended to read:

36.09 (1) (j) Except where such matters are a subject of bargaining with a certified representative of a collective bargaining unit under s. 111.91, the board shall establish salaries for persons not in the classified staff prior to July 1 of each year for the next fiscal year, and shall designate the effective dates for payment of the new salaries. In the first year of the biennium, payments of the salaries established for the preceding year shall be continued until the biennial budget bill is enacted. In the 2nd year of the biennium, payments of salaries established for the preceding year shall be continued until the enactment of an annual budget bill or bills under s. 16.476. If the budget is enacted after July 1, payments shall be made following enactment of the budget to satisfy the obligations incurred on the effective dates, as designated by the board, for the new salaries, subject only to the appropriation of funds by the legislature and s. 20.928 (3). This paragraph does not limit the authority of the board to establish salaries for new appointments. The board may not increase the pay of employes specified in ss. 20.923 (5) and (6) (m) and 230.08 (2) (d) under this paragraph unless the pay increase conforms to the proposal as approved under s. 230.12 (3) (e) or the board authorizes the pay increase to correct salary inequities under par. (h), to fund job reclassifications or promotions, or to recognize competitive factors. The granting of pay increases to recognize competitive factors does not obligate inclusion of the annualized amount of the increases in the appropriations under s. 20.285 (1) for subsequent fiscal bienniums. No later than October 1 of each year, the board shall report to the joint committee on finance and the departments of administration and employment relations concerning the amounts of any pay increases granted to recognize competitive factors, and the institutions at which they are granted, for the 12-month period ending on the preceding June 30.

SECTION 22m. 36.09 (1) (j) of the statutes, as affected by 1987 Wisconsin Act (this act), is amended to read:

36.09 (1) (j) Except where such matters are a subject of bargaining with a certified representative of a collective bargaining unit under s. 111.91, the board shall establish salaries for persons not in the classified staff prior to July 1 of each year for the next fiscal year, and shall designate the effective dates for payment of the new salaries. In the first year of the biennium, payments of the salaries established for the preceding year shall be continued until the biennial budget bill is enacted. ~~In the 2nd year of the biennium, payments of salaries established for the preceding year shall be continued until the enactment of an annual budget bill or bills under s. 16.476.~~ If the budget is enacted after July 1, payments shall be made following enactment of the budget to satisfy the obligations incurred on the effective dates, as designated by the board, for the new salaries, subject only to the appropriation of funds by the legislature and s. 20.928 (3). This paragraph does not limit the authority of the board to establish salaries for new appointments. The board may not increase the pay of employes specified in ss. 20.923 (5) and (6) (m) and 230.08 (2) (d) under this paragraph unless the pay increase conforms to the proposal as approved under s. 230.12 (3) (e) or the board authorizes the pay increase to correct salary inequities under par. (h), to fund job reclassifications or promotions, or to recognize competitive factors. The granting of pay increases to recognize competitive factors does not obligate inclusion of the annualized amount of the increases in the appropriations under s. 20.285 (1) for subsequent fiscal bienniums. No later than October 1 of each year, the board shall report to the joint committee on finance and the departments of administration and employment relations concerning the amounts of any pay increases granted to recognize competitive factors, and the institutions at which they are granted, for the 12-month period ending on the preceding June 30.

SECTION 23. 73.03 (32) of the statutes is created to read:

73.03 (32) To collect from any available source and correlate information concerning any and all anticipated state general fund revenues. The department shall report to the governor, the joint committee on finance and the legislature, not later than November 20 of each even-numbered year its findings and estimates for the current biennium and for the following biennium, and not later than January 15 of each even-numbered year its findings and estimates for the current biennium.

SECTION 23m. 73.03 (32) of the statutes, as created by 1987 Wisconsin Act (this act), is repealed.

SECTION 24. **Effective dates.** This act takes effect on the day after publication, except as follows:

(1) The treatment of sections 13.101 (3) (b) (by SECTION 4), 13.101 (4) (by SECTION 5), 16.50 (5) (by SECTION 5),

TION 13), 16.50 (7) (a) (by SECTION 14), 20.001 (3) (b) (by SECTION 18), 20.001 (5) (by SECTION 19), 20.002 (1) (by SECTION 20), 20.928 (3) (by SECTION 21), 36.09 (1) (j) (by SECTION 22) and 73.03 (32) (by SECTION 23) of the statutes takes effect July 1, 1987.

(2) The treatment of sections 13.02 (3m) (by SECTION 1m), 13.09 (4) (by SECTION 2m), 13.093 (2) (b) (by SECTION 3m), 13.101 (3) (b) (by SECTION 4m), 13.101 (4) (by SECTION 5m), 16.40 (1) (by SECTION 6m), 16.42 (1) (intro.) (by SECTION 7m), 16.45 (by SECTION 8m),

16.47 (1m) (by SECTION 9m), 16.47 (2) (by SECTION 10m), 16.476 (by SECTION 11m), 16.50 (3) (by SECTION 12m), 16.50 (5) (by SECTION 13m), 16.50 (7) (a) (by SECTION 14m), 16.50 (8) (by SECTION 15m), 16.517 (by SECTION 16m), 16.54 (8) (by SECTION 17m), 20.001 (3) (b) (by SECTION 18m), 20.001 (5) (by SECTION 19m), 20.002 (1) (by SECTION 20m), 20.928 (3) (by SECTION 21m), 36.09 (1) (j) (by SECTION 22m) and 73.03 (32) (by SECTION 23m) of the statutes takes effect July 1, 1989.
