



## 2007 ASSEMBLY BILL 72

February 14, 2007 - Introduced by JOINT COMMITTEE ON FINANCE, by request of Governor Jim Doyle. Referred to Joint Committee on Finance.

1     **AN ACT to amend** 20.003 (4) (fr), 20.866 (2) (xm), 49.175 (1) (p) and 49.175 (1) (zh);  
2     **to repeal and recreate** 16.529 of the statutes; and **to affect** 2005 Wisconsin  
3     Act 25, section 9155 (1w) (b); **relating to:** authorizing the secretary of  
4     administration to lapse moneys from appropriation accounts and transfer  
5     moneys between funds during the 2006-07 fiscal year, affecting position  
6     authorizations for certain state agencies, requiring the secretary of  
7     administration to lapse or transfer moneys to the general fund related to  
8     unfunded retirement liability debt service, and making appropriations.

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### *Analysis by the Legislative Reference Bureau*

This bill makes numerous appropriation changes, fund transfers, and position authorizations for the 2006-07 fiscal year. The bill:

1. Requires the secretary of administration to lapse to the general fund or transfer to the general fund from the unencumbered balances of state operations appropriations, other than sum sufficient appropriations and appropriations of federal revenues, an amount equal to \$15,132,000 during the 2006-07 fiscal year.

2. Renews authorization for 270.92 FTE positions in six state agencies that expire on April 1, 2007, to enable continued operation of numerous state-owned power and waste water treatment plants.

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3. Transfers from the agricultural chemical cleanup fund to the general fund \$1,000,000 in fiscal year 2006–07.

4. Transfers from the agrichemical management fund to the general fund \$3,500,000 in fiscal year 2006–07.

5. Transfers from the recycling fund to the general fund \$3,500,000 in fiscal year 2006–07.

6. Transfers from the petroleum inspection fund to the general fund \$5,000,000 in fiscal year 2006–07.

7. Increases a Department of Corrections (DOC) appropriation for funding adult correctional services by \$56,275,300 for fiscal year 2006–07.

8. Increases a DOC appropriation for payments made under certain contracts by \$6,000,000 for fiscal year 2006–07.

9. Increases a DOC appropriation for funding serious juvenile offender programs by \$1,000,000 for fiscal year 2006–07.

10. Decreases a Department of Health and Family Services (DHFS) appropriation for funding state foster care and adoption services by \$3,065,600 for fiscal year 2006–07.

11. Decreases a DHFS appropriation for funding the state's share of the Medical Assistance program by \$69,700,600 for fiscal year 2006–07.

12. Decreases a DHFS appropriation for payments to pharmacies and pharmacists for prescription drug assistance for the elderly by \$15,700,000 for fiscal year 2006–07.

13. Increases a DHFS appropriation for funding the Badger Care health care program by \$5,500,000 for fiscal year 2006–07.

14. Lapses to the general fund \$7,000,000 from the general program operations appropriation of the Office of the Commissioner of Insurance.

15. Increases a Department of Natural Resources appropriation from the conservation fund for paying debt service costs for state forest acquisitions by \$7,000,000 for fiscal year 2006–07.

16. Increases a Public Defender Board appropriation for paying private bar and investigator reimbursements by \$9,700,000 for fiscal year 2006–07.

17. For fiscal year 2006–07, increases a Department of Workforce Development allocation for child care services by \$30,000,000 and decreases a Department of Workforce Development allocation for the earned income tax credit by \$30,000,000.

18. Decreases an appropriation to the Joint Committee on Finance (JCF) to supplement general fund appropriations by \$19,371,900 for fiscal year 2006–07.

19. Amends a provision in 2005 Wisconsin Act 25 that required the elimination of 13 attorney positions in the executive branch on June 30, 2007. The bill, instead, eliminates these positions on June 30, 2009.

20. Increases the amount of indebtedness that the state may contract to refund the whole or any part of any unpaid indebtedness used to finance tax-supported or self-amortizing facilities from \$1,400,000,000 to \$1,775,000,000.

21. Authorizes JCF, during the 2006–07 fiscal year, to lapse to the transportation fund any amount requested by the Department of Transportation (DOT) from the unencumbered balances of the appropriations to DOT for major

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development of state trunk and connecting highways and for the improvement of existing state trunk and connecting highways.

22. Increases the FTE authorized positions in the Department of Justice (DOJ) by 15.0 GPR positions to perform deoxyribonucleic acid analysis and increases an appropriation to DOJ to fund these positions by \$96,600.

Current statutes contain a rule of proceeding governing legislative action on certain bills. Generally, the rule provides that no bill directly or indirectly affecting general purpose revenues may be adopted if the bill would cause the estimated general fund balance on June 30 of any fiscal year to be less than a certain amount of the total general purpose revenue appropriations for that fiscal year. For fiscal year 2006-07, the amount is \$65,000,000. This bill increases that amount to \$75,000,000.

In the 2003-05 fiscal biennium, obligations were issued by the state to pay the state's unfunded liabilities under the Wisconsin Retirement System (WRS). These liabilities had been incurred as a result of unfunded benefit improvements under the WRS and their cost had been allocated to each state agency as part of its required WRS contributions. This bill requires the secretary of administration during the 2005-07 fiscal biennium to lapse or transfer to the general fund from appropriations to each state agency moneys that would otherwise have been expended by the state agency to pay the WRS unfunded liabilities had the obligations not been issued. In addition, the bill requires the secretary in each future fiscal biennium to lapse or transfer these moneys to the general fund based on each state agency's proportionate share of all state retirement contributions that are required to be paid in that fiscal biennium.

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.** 16.529 of the statutes is repealed and recreated to read:
- 2           **16.529 Lapses and fund transfers relating to unfunded retirement**
- 3           **liability debt service. (1)** The definitions in s. 20.001 are applicable in this section.
- 4           **(2)** Notwithstanding ss. 20.001 (3) (a) to (c) and 25.40 (3), beginning in the
- 5           2007-09 fiscal biennium, during each fiscal biennium the secretary shall lapse to the
- 6           general fund or transfer to the general fund from each state agency appropriation
- 7           specified in sub. (3) an amount equal to that portion of the total amount of principal

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1 and interest to be paid on obligations issued under s. 16.527 during the fiscal  
2 biennium that is allocable to the appropriation, as determined under sub. (3).

3 (3) The secretary shall determine the amounts of the allocations required  
4 under sub. (2) as follows:

5 (a) The secretary shall first determine the total amount of Wisconsin  
6 Retirement System contributions that are to be paid by the state under s. 40.05  
7 during the fiscal biennium.

8 (b) The secretary shall then determine the percentage of the total amount  
9 determined under par. (a) that is allocable to each state agency appropriation from  
10 which Wisconsin Retirement System contributions under s. 40.05 are paid. The  
11 secretary shall exclude from this determination any appropriation from which a  
12 lapse or transfer to pay any principal or interest amount on obligations issued under  
13 s. 16.527 would violate a condition imposed by the federal government on the  
14 expenditure of the moneys or if the lapse or transfer would violate the federal or state  
15 constitution.

16 (c) For each appropriation identified under par. (b), the secretary shall then  
17 apply the percentage calculated under par. (b) to the total amount of principal and  
18 interest to be paid during the fiscal biennium on obligations issued under s. 16.527.  
19 This amount is the portion of the total amount of principal and interest paid on the  
20 obligations during that fiscal biennium that is allocable to each appropriation.

21 **SECTION 2.** 20.003 (4) (fr) of the statutes is amended to read:

22 20.003 (4) (fr) For fiscal year 2006-07, ~~\$65,000,000~~ \$75,000,000.

23 **SECTION 3.** 20.866 (2) (xm) of the statutes is amended to read:

24 20.866 (2) (xm) *Building commission; refunding tax-supported and*  
25 *self-amortizing general obligation debt.* From the capital improvement fund, a sum

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1 sufficient to refund the whole or any part of any unpaid indebtedness used to finance  
2 tax-supported or self-amortizing facilities. In addition to the amount that may be  
3 contracted under par. (xe), the state may contract public debt in an amount not to  
4 exceed \$1,400,000,000 \$1,775,000,000 for this purpose. Such indebtedness shall be  
5 construed to include any premium and interest payable with respect thereto. Debt  
6 incurred by this paragraph shall be repaid under the appropriations providing for  
7 the retirement of public debt incurred for tax-supported and self-amortizing  
8 facilities in proportional amounts to the purposes for which the debt was refinanced.  
9 No moneys may be expended under this paragraph unless the true interest costs to  
10 the state can be reduced by the expenditure.

11 **SECTION 4.** 49.175 (1) (p) of the statutes is amended to read:

12 49.175 (1) (p) *Direct child care services.* For direct child care services under s.  
13 49.155, \$310,332,100 in fiscal year 2005-06 and ~~\$313,432,100~~ \$343,432,100 in fiscal  
14 year 2006-07.

15 **SECTION 5.** 49.175 (1) (zh) of the statutes is amended to read:

16 49.175 (1) (zh) *Earned income tax credit supplement.* For the transfer of  
17 moneys from the appropriation account under s. 20.445 (3) (md) to the appropriation  
18 account under s. 20.835 (2) (kf) for the earned income tax credit, \$55,232,000 in each  
19 fiscal year 2005-06 and \$25,232,000 in fiscal year 2006-07.

20 **SECTION 6.** 2005 Wisconsin Act 25, section 9155 (1w) (b) is amended to read:

21 [2005 Wisconsin Act 25] Section 9155 (1w) (b) On June 30, ~~2007~~ 2009, 13.0 FTE  
22 attorney positions in all state agencies that are vacant on that date are eliminated.  
23 If fewer than 13.0 FTE attorney positions in all state agencies are vacant on June 30,  
24 ~~2007~~ 2009, there are eliminated the requisite number of FTE attorney positions, as

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1 identified by the secretary of administration, so that a total of 13.0 FTE attorney  
2 positions are eliminated.

3 **SECTION 9101. Nonstatutory provisions; Administration.**

4 (1) POSITION AUTHORIZATIONS. The authorized FTE positions for the department  
5 of administration are increased by 23.25 PR positions on April 1, 2007, to be funded  
6 from the appropriation under section 20.505 (5) (ka) of the statutes, for the purpose  
7 of enabling continued operation of state-owned power and waste water treatment  
8 plants.

9 (2) STATE AGENCY PAYMENTS RELATING TO UNFUNDED LIABILITIES UNDER THE  
10 WISCONSIN RETIREMENT SYSTEM.

11 (a) The definitions in section 20.001 of the statutes are applicable in this  
12 subsection.

13 (b) The secretary of administration shall determine for each state agency the  
14 amount that the state agency would have been required to expend under section  
15 40.05 (2) (b) and (4) (b), (bc), and (bw) and subchapter IX of chapter 40 of the statutes  
16 during the 2005-07 fiscal biennium had the obligations under section 16.527 of the  
17 statutes not been issued, and each appropriation from which the moneys would have  
18 been expended. The secretary shall exclude from this determination any  
19 appropriation from which a lapse or transfer to pay any principal or interest amount  
20 on obligations issued under section 16.527 of the statutes would violate a condition  
21 imposed by the federal government on the expenditure of the moneys or if the lapse  
22 or transfer would violate the federal or state constitution.

23 (c) From each appropriation identified in paragraph (b), notwithstanding  
24 section 20.001 (3) (a) to (c) of the statutes, the secretary shall lapse to the general

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1 fund or transfer to the general fund the amount specified in paragraph (b) that would  
2 otherwise have been expended from the appropriation.

3 **SECTION 9109. Nonstatutory provisions; Corrections.**

4 (1) POSITION AUTHORIZATIONS. The authorized FTE positions for the department  
5 of corrections are increased by 20.25 GPR positions on April 1, 2007, to be funded  
6 from the appropriation under section 20.410 (1) (a) of the statutes, for the purpose  
7 of enabling continued operation of state-owned power and waste water treatment  
8 plants.

9 (2) POSITION AUTHORIZATIONS. The authorized FTE positions for the department  
10 of corrections are increased by 19.00 PR positions on April 1, 2007, to be funded from  
11 the appropriation under section 20.410 (1) (kk) of the statutes, for the purpose of  
12 enabling continued operation of state-owned power and waste water treatment  
13 plants.

14 (3) POSITION AUTHORIZATIONS. The authorized FTE positions for the department  
15 of corrections are increased by 5.00 PR positions on April 1, 2007, to be funded from  
16 the appropriation under section 20.410 (3) (hm) of the statutes, for the purpose of  
17 enabling continued operation of state-owned power and waste water treatment  
18 plants.

19 **SECTION 9121. Nonstatutory provisions; Health and Family Services.**

20 (1) POSITION AUTHORIZATIONS. The authorized FTE positions for the department  
21 of health and family services are increased by 33.00 PR positions on April 1, 2007,  
22 to be funded from the appropriation under section 20.435 (2) (gk) of the statutes, for  
23 the purpose of enabling continued operation of state-owned power and waste water  
24 treatment plants.

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1           (2) POSITION AUTHORIZATIONS. The authorized FTE positions for the department  
2 of health and family services are increased by 8.00 PR positions on April 1, 2007, to  
3 be funded from the appropriation under section 20.435 (2) (kx) of the statutes, for the  
4 purpose of enabling continued operation of state-owned power and waste water  
5 treatment plants.

**SECTION 9137. Nonstatutory provisions; Public Instruction.**

6           (1) POSITION AUTHORIZATIONS. The authorized FTE positions for the department  
7 of public instruction are increased by 10.00 GPR positions on April 1, 2007, to be  
8 funded from the appropriation under section 20.255 (1) (a) of the statutes, for the  
9 purpose of enabling continued operation of state-owned power and waste water  
10 treatment plants.  
11

**SECTION 9152. Nonstatutory provisions; University of Wisconsin System.**

12           (1) POSITION AUTHORIZATIONS. The authorized FTE positions for the Board of  
13 Regents of the University of Wisconsin System are increased by 146.42 GPR  
14 positions on April 1, 2007, to be funded from the appropriation under section 20.285  
15 (1) (a) of the statutes, for the purpose of enabling continued operation of state-owned  
16 power and waste water treatment plants.  
17

**SECTION 9153. Nonstatutory provisions; Veterans Affairs.**

18           (1) POSITION AUTHORIZATIONS. The authorized FTE positions for the department  
19 of veterans affairs are increased by 6.00 PR positions on April 1, 2007, to be funded  
20 from the appropriation under section 20.485 (1) (gk) of the statutes, for the purpose  
21 of enabling continued operation of state-owned power and waste water treatment  
22 plants.  
23

**SECTION 9201. Fiscal changes; Administration.**



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1 (1) LAPSE OR TRANSFER OF ANY UNENCUMBERED MONEYS IN APPROPRIATION ACCOUNTS  
2 AND FUNDS.

3 (a) Notwithstanding section 20.001 (3) (a) to (c) of the statutes, but subject to  
4 paragraph (b), the secretary of administration shall lapse to the general fund or  
5 transfer to the general fund from the unencumbered balances of state operations  
6 appropriations, other than sum sufficient appropriations and appropriations of  
7 federal revenues, an amount equal to \$15,132,000 during the 2006-07 fiscal year.

8 (b) The secretary of administration may not lapse or transfer moneys under  
9 paragraph (a) if the lapse or transfer would violate a condition imposed by the federal  
10 government on the expenditure of the moneys or if the lapse or transfer would violate  
11 the federal or state constitution.

12 **SECTION 9203. Fiscal changes; Agriculture, Trade and Consumer**  
13 **Protection.**

14 (1) AGRICULTURAL CHEMICAL CLEANUP FUND TRANSFER. There is transferred from  
15 the agricultural chemical cleanup fund to the general fund \$1,000,000 in fiscal year  
16 2006-07.

17 (2) AGRICHEMICAL MANAGEMENT FUND TRANSFER. There is transferred from the  
18 agrichemical management fund to the general fund \$3,500,000 in fiscal year  
19 2006-07.

20 **SECTION 9208. Fiscal changes; Commerce.**

21 (1) PETROLEUM INSPECTION FUND TRANSFER. There is transferred from the  
22 petroleum inspection fund to the general fund \$5,000,000 in fiscal year 2006-07.

23 **SECTION 9209. Fiscal changes; Corrections.**

24 (1) ADULT CORRECTIONAL SERVICES. In the schedule under section 20.005 (3) of  
25 the statutes for the appropriation to the department of corrections under section

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1 20.410 (1) (a) of the statutes, as affected by the acts of 2005 and 2007, the dollar  
2 amount is increased by \$56,275,300 for fiscal year 2006-07 to carry out the purpose  
3 for which the appropriation is made.

4 (2) CORRECTIONS CONTRACTS AND AGREEMENTS. In the schedule under section  
5 20.005 (3) of the statutes for the appropriation to the department of corrections under  
6 section 20.410 (1) (ab) of the statutes, as affected by the acts of 2005 and 2007, the  
7 dollar amount is increased by \$6,000,000 for fiscal year 2006-07 to carry out the  
8 purpose for which the appropriation is made.

9 (3) SERIOUS JUVENILE OFFENDERS. In the schedule under section 20.005 (3) of the  
10 statutes for the appropriation to the department of corrections under section 20.410  
11 (3) (cg) of the statutes, as affected by the acts of 2005 and 2007, the dollar amount  
12 is increased by \$1,000,000 for fiscal year 2006-07 to carry out the purpose for which  
13 the appropriation is made.

**SECTION 9221. Fiscal changes; Health and Family Services.**

14 (1) STATE FOSTER CARE AND ADOPTION SERVICES; DECREASE. In the schedule under  
15 section 20.005 (3) of the statutes for the appropriation to the department of health  
16 and family services under section 20.435 (3) (dd) of the statutes, as affected by the  
17 acts of 2005 and 2007, the dollar amount is decreased by \$3,065,600 for fiscal year  
18 2006-07.

19 (2) MEDICAL ASSISTANCE; DECREASE. In the schedule under section 20.005 (3) of  
20 the statutes for the appropriation to the department of health and family services  
21 under section 20.435 (4) (b) of the statutes, as affected by the acts of 2005 and 2007,  
22 the dollar amount is decreased by \$69,700,600 for fiscal year 2006-07.

23 (3) PRESCRIPTION DRUG ASSISTANCE FOR ELDERLY; DECREASE. In the schedule under  
24 section 20.005 (3) of the statutes for the appropriation to the department of health  
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1 and family services under section 20.435 (4) (bv) of the statutes, as affected by the  
2 acts of 2005 and 2007, the dollar amount is decreased by \$15,700,000 for fiscal year  
3 2006-07.

4 (4) BADGER CARE HEALTH CARE PROGRAM; INCREASE. In the schedule under section  
5 20.005 (3) of the statutes for the appropriation to the department of health and family  
6 services under section 20.435 (4) (bc) of the statutes, as affected by the acts of 2005  
7 and 2007, the dollar amount is increased by \$5,500,000 for fiscal year 2006-07 for  
8 the purpose for which the appropriation is made.

9 **SECTION 9225. Fiscal changes; Insurance.**

10 (1) LAPSE TO GENERAL FUND FROM GENERAL PROGRAM OPERATIONS APPROPRIATION.  
11 Notwithstanding section 20.001 (3) (a) of the statutes, on the effective date of this  
12 subsection, there is lapsed to the general fund \$7,000,000 from the appropriation  
13 account to the office of the commissioner of insurance under section 20.145 (1) (g) of  
14 the statutes, as affected by the acts of 2005 and 2007.

15 **SECTION 9227. Fiscal changes; Joint Committee on Finance.**

16 (1) GENERAL FUND APPROPRIATION SUPPLEMENTS. In the schedule under section  
17 20.005 (3) of the statutes for the appropriation to the joint committee on finance  
18 under section 20.865 (4) (a) of the statutes, as affected by the acts of 2005 and 2007,  
19 the dollar amount is decreased by \$19,371,900 for fiscal year 2006-07.

20 **SECTION 9229. Fiscal changes; Justice.**

21 (1) DEOXYRIBONUCLEIC ACID ANALYSIS. In the schedule under section 20.005 (3)  
22 of the statutes for the appropriation to the department of justice under section 20.455  
23 (2) (a) of the statutes, as affected by the acts of 2005 and 2007, the dollar amount is  
24 increased by \$96,600 for fiscal year 2006-07 to increase the authorized FTE positions

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1 for the department of justice by 15.0 GPR positions on April 1, 2007, for the  
2 performance of deoxyribonucleic acid analysis.

**SECTION 9235. Fiscal changes; Natural Resources.**

3  
4 (1) RECYCLING FUND TRANSFER. There is transferred from the recycling fund to  
5 the general fund \$3,500,000 in fiscal year 2006-07.

6 (2) STATE FOREST ACQUISITION DEBT SERVICE. In the schedule under section 20.005  
7 (3) of the statutes for the appropriation to the department of natural resources under  
8 section 20.370 (7) (au) of the statutes, as affected by the acts of 2005 and 2007, the  
9 dollar amount is increased by \$7,000,000 for fiscal year 2006-07 to increase funding  
10 for the purposes for which the appropriation is made.

**SECTION 9236. Fiscal changes; Public Defender Board.**

11  
12 (1) PRIVATE BAR AND INVESTIGATOR REIMBURSEMENT. In the schedule under section  
13 20.005 (3) of the statutes for the appropriation to the public defender board under  
14 section 20.550 (1) (d) of the statutes, as affected by the acts of 2005 and 2007, the  
15 dollar amount is increased by \$9,700,000 for fiscal year 2006-07 to carry out the  
16 purpose for which the appropriation is made.

**SECTION 9248. Fiscal changes; Transportation.**

17  
18 (1) LAPSES TO TRANSPORTATION FUND. Notwithstanding sections 13.101 (6) and  
19 20.001 (3) (c) of the statutes, during the 2006-07 fiscal year, the joint committee on  
20 finance may lapse to the transportation fund any amount requested by the  
21 department of transportation from the unencumbered balances of the appropriation  
22 accounts under section 20.395 (3) (bq) and (cq) of the statutes.

23 (END)