

Rob Hutton

STATE REPRESENTATIVE • 13TH ASSEMBLY DISTRICT

August 30, 2017

To: The Assembly Committee on State Affairs
From: Rep. Rob Hutton
Re: Assembly Bill 426

Testimony of Rep. Rob Hutton in Support of Assembly Bill 426

Mr. Chairman and members of the committee, thank you for giving Assembly Bill 426 a public hearing. This legislation is a follow up to 2015 WI Act 201, which requires state agencies to submit a budget proposal based on no new revenues for the next biennium and a 5% reduction in revenues for the next biennium. The intent of 2015 WI Act 201 is to help the legislature identify where state agency priorities are and quantify effects of reduced flow of revenues. AB 426 expounds on this and requires one third of State Agencies, each biennium, to submit a base budget review.

In 2002, the provision outlined in AB 426 was added to the budget, which was signed into law. This required state agencies to submit reports justifying agency spending. In 2009, Governor Doyle repealed this law. We believe this practice should be reinstated to pair with recently passed law such as, 2015 WI Act 201, in order to provide additional transparency and protective measures to the use of taxpayer dollars. The intent of this legislation is to continue down the road of implementing best practices in the private sector into how our state government operates. We often see programs that have been created years ago that continue to see funding year after year with no report on what the program has accomplished, if they are seeing successful results, or if its functions are needed as new programs are created and technology advances. By requiring an agency to evaluate each program they administer once every six years we will be able to develop trends and see where taxpayer dollars are providing a good return on investment and where they are being wasted.

Thank you again for the opportunity to testify in support of AB 426. I believe this to be an important step in the right direction to provide transparency and accountability of the government to the citizens of Wisconsin. I am happy to answer any questions you may have about the legislation.



DAVID CRAIG

STATE SENATOR

Assembly Committee on State Affairs
Public Hearing, August 30, 2017
Assembly Bill 426
Senator David Craig, 28th Senate District

Chairman Swearingen and Committee Members,

Thank you for taking testimony on Assembly Bill 426 regarding the submission of base budget review reports by state agencies, the legislature, and the courts.

We introduced this legislation to proactively address the continual increase in spending by our state government. In 2002, Republicans amended the budget to include base budget review. In 2009, Governor Doyle repealed this good-government law. This was short-sighted and it is our intention to return to basic budgeting principles.

President Ronald Reagan said, "No government ever voluntarily reduces itself in size. Government programs, once launched, never disappear. Actually, a government bureau is the nearest thing to eternal life we'll ever see on this earth!"

With that in mind, I feel it is prudent for each state agency to justify their programs and expenses to the legislature. This bill requires every state agency, including the legislature and the courts to submit a base budget review report once every third biennium. This is no small task. Thus, a state agency will undergo this review once every six years.

The rationale for this is that during the budget process, legislators primarily only debate about adjustments to the spending increases for each agency and never discuss the justification to the original base budget of the agency. It is my intention that state agencies must continually reexamine whether programming and dollars are meeting the mission statement of the agency. This legislation will assist us as lawmakers to better gauge whether taxpayer dollars are being spent judiciously.

Thank you for allowing me to testify on this important budgetary tool. I am happy to take any questions from committee members.