

## Legislative Fiscal Bureau

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October 15, 2015

TO: Members

Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Senate Bill 261/Assembly Bill 346: Restore the UW System Appropriation for

**Telecommunications Services** 

Senate Bill 261 and Assembly Bill 346 (identical bills) were introduced on September 21, 2015, and September 23, 2015, respectively, and referred to the Joint Committee on Finance.

## **BACKGROUND**

In reviewing 2015 Act 55 (the biennial budget act) following publication, it was determined that the UW System appropriation for telecommunications services had been inadvertently repealed. As proposed, the Governor's budget would have repealed the UW System's telecommunications services appropriation on July 1, 2016, along with all of the UW System's other program, federal, and segregated revenue appropriations, as part of the Governor's proposal to recreate the UW System as a public authority.

In its deliberations on the budget bill, the Joint Committee on Finance took two actions affecting this appropriation. The first action regarding funding for broadband grants under the Public Service Commission (PSC) deleted some other changes to the UW System appropriation for telecommunications proposed under the Governor's bill, and replaced them with a new section that would have repealed the appropriation on July 1, 2016. Later, the Committee approved an omnibus motion regarding the UW System, which included a provision stating that the appropriation for telecommunications services should be restored. To accomplish this, language was drafted to delete the section in the Governor's budget that would have deleted the appropriation on July 1, 2016, as well as other related sections. When the bill was reconciled, the section created by the PSC draft that would repeal the UW System's telecommunications services appropriation should have been deleted. However, this section was retained and the UW System's telecommunications services appropriation was inadvertently repealed.

## **SUMMARY OF BILLS**

SB 261/ AB 346 would restore the telecommunications services appropriation under the UW System consistent with the intent of the Joint Finance Committee and Legislature in approving the biennial budget act.

## FISCAL EFFECT

Because the appropriations schedule published in Act 55 included the \$1,054,800 SEG of annual funding associated with the telecommunication services appropriation, the bills would not make any change to overall funding shown in Act 55.

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