



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

May 4, 2001

Joint Committee on Finance

Paper #282

Administrative Position Reallocation (Commerce -- Departmentwide and Economic Development)

[LFB 2001-03 Budget Summary: Page 178, #15]

CURRENT LAW

Commerce is authorized \$763,400 PR and 12.0 PR positions for environmental cleanup activities related to the Federal Leaking Underground Storage Tank (LUST) program. Prior to April, 2001, program revenue came from a federal LUST program grant received through an interagency agreement with the Department of Natural Resources (DNR).

The Division of Administrative Services (AS) and its personnel are funded by charges made to the Department's programs for administrative services provided.

GOVERNOR

Provide \$51,900 FED and 1.20 FED positions annually and reduce funding by \$51,900 PR and delete 1.20 PR positions annually to reallocate administrative positions and related funding to match revenues from charges for services provided. This provision would shift \$116,500 PR and 3.20 PR positions from the AS program revenue administrative services appropriation to the program revenue sale of materials or services appropriation. In addition, \$51,900 and 1.20 positions would be reallocated from the AS administrative services appropriation to the FED indirect cost reimbursements appropriation. The reallocation would align administrative personnel and related expenditure authority with administrative fee revenues from programs receiving services from the personnel.

MODIFICATION TO BASE

Adopt the Governor’s recommendation. In addition, delete annual expenditure authority of \$116,500 PR and 3.2 PR positions and instead provide annual expenditure authority of \$116,500 FED and 3.2 FED positions.

Explanation: The 3.2 positions and related expenditure authority provide administrative support to the Department’s LUST personnel and activities. At the time Commerce prepared its budget request, funding for LUST was received through the interagency agreement with DNR. As a result, the positions were aligned with the program revenue funding source for revenue received through the DNR agreement. However, the Federal Environmental Protection Agency (EPA) approved a separate LUST grant for Commerce, effective April, 2001. This modification would realign the 3.2 positions and annual expenditure authority of \$116,500 with the appropriate federal revenue funding source to reflect the LUST funding received from the direct contract with EPA.

<u>Modification</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
2001-03 FUNDING (Change to Base)	\$336,800	- \$336,800	\$0
<i>[Change to Bill</i>	<i>\$233,000</i>	<i>- \$233,000</i>	<i>\$0]</i>
2002-03 POSITIONS (Change to Base)	4.40	- 4.40	0.00
<i>[Change to Bill</i>	<i>3.20</i>	<i>- 3.20</i>	<i>0.00]</i>

Prepared by: Ron Shanovich