

1981 Senate Bill 243

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CHAPTER 30 , Laws of 1981

AN ACT to amend 16.50 (1), (2), (5) and (6) and 85.035; and to create 16.50 (7) of the statutes, relating to limitation of state expenditure reductions, expenditure estimate procedure and state revenue shortfall procedure.

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

SECTION 1. 16.50 (1), (2), (5) and (6) of the statutes are amended to read:

16.50 (1) EXPENDITURES. (a) Each department except the legislature and the courts shall prepare and submit to the secretary an estimate by quarters of the amount of money which it proposes to expend, upon each of its divisions, activities, functions and programs encumber or distribute under any appropriation in ch. 20. The department of administration shall prepare and submit estimates for expenditures from appropriations under ss. 20.855, 20.865, 20.866, 20.867, 20.876, 20.877 and 20.878. The secretary may waive the submission of estimates of other than administrative expenditures from such funds as he or she determines. Estimates shall be prepared in such form and, at such times and for such time periods as the secretary requires. Revised and supplemental estimates may be presented at any time under rules to be prescribed by the secretary.

(b) This subsection does not apply to appropriations under ss. 20.255 (1) (cc), 20.835 and 20.865 (4).

(2) ACTION THEREON BY SECRETARY. The secretary shall examine each such estimate to determine whether appropriations are available therefor and expenditures under the appropriations can be made without incurring danger of exhausting such the appropriations before the end of the appropriation period and whether there will be sufficient revenue to meet such contemplated expenditures except as provided in sub. (7). The secretary also shall examine each estimate to assure as nearly as possible that the proposed plan of program execution reflects the intentions of the joint committee on finance, legislature and governor, as expressed by them in the budget determinations. If satisfied that such estimate meets these tests, he the secretary shall approve the same estimate; otherwise he or she shall disapprove the same estimate, in whole or in part, as the facts require. If the secretary is satisfied that an estimate for any period is more than sufficient for the execution of the normal functions of a department, he or she may modify or withhold such estimates. It is the intent of the legislature that this approval of the estimate. This section shall be strictly construed by the secretary to the end that such budget determinations and policy decisions reflected by such determinations be implemented to the fullest extent possible within the concepts of proper management.

(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).

(6) PROPORTIONAL SPENDING. If the secretary determines that expenditures of general purpose or segregated fund revenues are utilized to match revenues received under s. 16.54 or 20.001 (2) (b) for the purposes of combined program expenditure, the secretary may require that disbursements of the general purpose revenue and corresponding segregated revenue be in direct proportion to the amount of program revenue or corresponding segregated revenue which is available or appropriated in ch. 20 or as condition of a grant or contract. If the secretary makes such a determination, the agency shall incorporate the necessary adjustments into the quarterly expenditure plans provided for in sub. (1).

SECTION 2. 16.50 (7) of the statutes is created to read:

16.50 (7) REVENUE SHORTFALL. (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 fiscal year 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.

(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 3. 85.035 of the statutes is amended to read:

85.035 Reduction of department appropriations. Where the secretary deems that economic conditions warrant, the secretary, in conjunction with submission of ~~quarterly~~ estimates under s. 16.50, may recommend to the secretary of administration that authorized department appropriations be reduced to reflect revenue deficiencies.
