



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #132

Agency Appropriations Consolidations (DOA -- General Agency Provisions)

[LFB 2001-03 Budget Summary: Page 58, #15]

CURRENT LAW

The Department of Administration's Chapter 20 appropriations structure has 120 separate appropriations.

GOVERNOR

Consolidate, renumber and repeal a variety of agency appropriations. Among the appropriations that would be consolidated are the following:

<u>Appropriation Affected</u>	<u>Modification</u>
20.505(1)(ma) <i>Federal Grants and Contracts</i>	Merged with 20.505(1)(mb) [<i>Federal Aid</i>] and \$165,900 FED and 1.0 FED position transferred annually
20.505(1)(mc) <i>Coastal Zone Management</i>	Merged with 20.505(1)(mb) and \$2,194,200 FED and 5.5 FED positions transferred annually
20.505(1)(n) <i>Federal Aid; Local Assistance</i>	Merged with 20.505(1)(mb)
20.505(3)(g) <i>Gifts and Grants</i>	Merged with 20.505(1)(j) [<i>Gifts, Grants and Bequests</i>]
20.505(3)(h) <i>Program Fees</i>	Merged with s. 20.505(4)(h) [<i>Program Services</i>]
20.505(4)(c) <i>Claims Board Operations</i>	Merged with 20.505(1)(a) [<i>General Program Operations</i>] and \$52,800 GPR and 1.0 GPR position transferred annually
20.505(4)(gm) <i>Gifts and Grants</i>	Merged with 20.505(1)(j) [<i>Gifts, Grants and Bequests</i>]
20.505(7)(d) <i>Grants to Local Housing Organizations</i>	Merged with 20.505(7)(b) [<i>Housing Grants and Loans</i>] and \$500,000 GPR transferred annually
20.505(7)(dm) <i>Transitional Housing Grants</i>	Merged with 20.505(7)(fm) [<i>Shelter for Homeless</i>] and \$375,000 GPR transferred annually
20.505(7)(gm) <i>Funding for Homeless</i>	Merged with 20.505(7)(h) retitled <i>Funding for Homeless</i>

<u>Appropriation Affected</u>	<u>Modification</u>
20.505(7)(k) <i>Sale of Materials and Services</i>	Merged with 20.505(7)(kg) retitled <i>Housing Program Materials and Services and Weatherization</i>
20.505(7)(km) <i>Weatherization Assistance</i>	Merged with 20.505(7)(kg) and \$10,000,000 FED transferred annually
20.505(7)(n) <i>Federal Aid; Local Assistance</i>	Merged with 20.505(7)(o) retitled <i>Federal Aid; Local Assistance and Aids</i> and \$19,000,000 FED transferred annually

DISCUSSION POINTS

A. Consolidation of Appropriations Across Expenditure Types

1. Separate state agency appropriations are established by the types of expenditures that they support. These expenditure types are:

- *State Operations.* These appropriations fund direct expenditures by state agencies for such expenses as employee salaries, fringe benefits, supplies, contractual services, debt service and permanent property to carry out state programs.
- *Aids to Individuals and Organizations.* These appropriations fund payments directly from a state fund to an individual or private organization.
- *Local Assistance.* These appropriations fund payments to local units of government and school districts in the state and include payments associated with state programs administered by local units of government.

2. These appropriation categorizations are important to the Legislature, executive branch policymakers and audit staffs in monitoring the allocation of state financial resources among these broad public purposes.

3. DOA is proposing the merger of a variety of similar appropriations in order to streamline and consolidate the agency's overall appropriations structure. However, some of DOA's proposed appropriations consolidations would merge appropriations of different expenditure types into a single appropriation. These actions would blur the distinctions between appropriations based on expenditure type and would impair the ability of the Legislature and others to accurately monitor the allocation of financial resources to the three major expenditure purposes.

4. These appropriations consolidations involve: (a) the merger of a sale of materials or services state operations appropriation [s. 20.505(7)(k)] with a housing program services local assistance appropriation [s. 20.505(7)(kg)] and a weatherization assistance aids to individuals and organizations appropriation [s. 20.505(7)(km)]; and (b) the merger of a federal aid local assistance appropriation [s. 20.505(7)(n)] with a federal aid to individuals and organizations appropriation [s. 20.505(7)(o)].

5. If the Committee concludes that it is more desirable to retain the Legislature's ability

to monitor the allocation of state financial resources by traditional broad expenditure category than it is to streamline DOA's appropriations structure with respect to these five appropriations, it could modify the Governor's recommendation and retain these five appropriations as separate appropriations. Under such an alternative, the appropriate funding amounts would be allocated to each separate appropriation, based on type of expenditure.

B. Repeal of an Obsolete Appropriation

6. DOA's appropriation structure retains an obsolete mobile home parks, dealers and salespersons appropriation [s. 20.505(7)(jf)]. The agency's mobile home regulatory authority was transferred to the Department of Commerce, effective July 1, 2000, under provisions of 1999 Wisconsin Act 9. The base level expenditure authority under the appropriation is \$0 annually.

7. The mobile home parks, dealers and salespersons appropriation is not needed and could be deleted by the Committee.

ALTERNATIVES

A. Consolidation of Appropriations Across Expenditure Types

1. Approve the Governor's recommendation to relating to the consolidation, renumbering and repeal of a variety of DOA appropriations.

2. Modify the Governor's recommendation by retaining the DOA's sale of materials or services state operations appropriation [s. 20.505(7)(k)], housing program services local assistance appropriation [s. 20.505(7)(kg)], weatherization assistance aids to individuals and organizations appropriation [s. 20.505(7)(km)], federal aid local assistance appropriation [s. 20.505(7)(n)] and federal aid to individuals and organizations appropriation [s. 20.505(7)(o)] as separate appropriations and allocate the appropriate funding amounts to each separate appropriation, based on type of expenditure.

B. Repeal of an Obsolete Appropriation

1. Delete DOA's obsolete mobile home parks, dealers and salespersons appropriation [s. 20.505(7)(jf)].

2. Take no action.

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