



Legislative Fiscal Bureau

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May 15, 2001

Joint Committee on Finance

Paper #207

Convert Program Revenue Appropriations to Continuing (DATCP -- Departmentwide and Resource Management)

[LFB 2001-03 Budget Summary: Page 98, #23]

CURRENT LAW

The Department currently is authorized to collect various fees to cover the costs of services provided. The fees are deposited into individual annual appropriations and used for specified purposes.

GOVERNOR

Change the following PR appropriations (with annual appropriation amounts totaling \$559,700) from annual to continuing: (a) food and trade regulation related services (\$25,500); (b) public warehouse regulation (\$91,800); (c) food safety and consumer protection informational materials, sale of supplies (\$32,000); (d) animal health, sale of supplies (\$30,300); (e) dog license, rabies control and related services (\$123,400); (f) "Something Special from Wisconsin" promotion (\$30,500); (g) court ordered enforcement cost recovery (\$25,000); and (h) central administrative services fees (\$201,200).

DISCUSSION POINTS

A. Appropriation Type

1. An agency may not expend beyond the amount listed in a statutory Chapter 20 annual appropriation without legislative approval. Expenditures beyond the appropriated level may only be made through the passage of legislation or under the passive review provisions of s. 16.505/515 of the statutes. This process allows an agency to request the Secretary of the Department

of Administration (DOA) to submit a proposal to the Joint Committee on Finance to supplement a program revenue appropriation where the Secretary determines expenditure authority is insufficient. The proposal is considered approved, unless the Committee schedules a meeting to consider the request within 14 working days after the submittal. An agency may expend any funds available in a continuing appropriation subject only to the review of DOA.

2. As an example of why DATCP would prefer to change these PR appropriations from annual to continuing, DATCP officials point to an instance where \$10,000 in expenditure authority was needed for printing publications, and DOA was hesitant to submit a request under s.16.515 to the Joint Finance Committee because of the relatively small amount of the request. Ultimately, DOA submitted the request to Joint Finance where no objections were raised and the request was approved. If the appropriation were continuing, any request for increased expenditure authority would still need to be submitted to DOA for authorization, but legislative approval would not be required.

3. While a continuing appropriation provides the Department with greater flexibility in spending, it also limits legislative review and may make it more difficult to anticipate, control and track program expenditures. Converting these annual PR appropriations to continuing reduces legislative oversight. As an alternative to provide the Department with more flexibility than it currently has, the Committee could choose to convert some appropriations to biennial. A biennial appropriation allows a Department to transfer expenditure authority between fiscal years in the same biennium with DOA approval. However, the Legislature retains authority in setting biennial expenditure authority and thereby limiting expenditures to the amounts appropriated in the biennium, subject to modification after legislative review.

B. Central Administration Services Expenditure Authority

4. DATCP's appropriation for central administrative services fees has base expenditure authority of \$201,200 annually. The Wisconsin Agricultural Statistics Service (WASS) uses the appropriation to collect and expend revenues for surveys requested by customers. As the following table portrays, recent spending from this appropriation has been significantly less than expenditure authority. According to the Department, spending needs vary greatly each year, depending on customer demand for surveys. Thus, DATCP claims it is difficult to precisely project future years' spending and revenue. However, the Department has suggested that spending authority could be reduced by \$16,000 annually to more closely estimate anticipated expenditures, while still maintaining sufficient spending authority. Another alternative would be to reduce expenditure authority by \$101,200. This would leave \$100,000 available annually, significantly more than has been needed in recent years.

WASS Expenditures

1997-98	\$12,300
1998-99	18,800
1999-00	37,500
2000-01*	56,100

*Through May 1, 2001.

ALTERNATIVES TO BASE

A. Appropriation Type

1. Approve the Governor's recommendation to change the following PR appropriations from annual to continuing: (a) food and trade regulation related services (\$25,500); (b) public warehouse regulation (\$91,800); (c) food safety and consumer protection informational materials, sale of supplies (\$32,000); (d) animal health, sale of supplies (\$30,300); (e) dog license, rabies control and related services (\$123,400); (f) "Something Special from Wisconsin" promotion (\$30,500); (g) court ordered enforcement cost recovery (\$25,000); and (h) central administrative services fees (\$201,200).

2. Change the following PR appropriations from annual to biennial: (a) food and trade regulation related services (\$25,500); (b) public warehouse regulation (\$91,800); (c) food safety and consumer protection informational materials, sale of supplies (\$32,000); (d) animal health, sale of supplies (\$30,300); (e) dog license, rabies control and related services (\$123,400); (f) "Something Special from Wisconsin" promotion (\$30,500); (g) court ordered enforcement cost recovery (\$25,000); and (h) central administrative services fees (\$201,200).

3. Maintain current law. (The appropriation would remain as annual.)

B. Central Administration Services Expenditure Authority

1. Reduce spending authority by one of the following annual amounts for the central administrative services fees appropriation.

a. \$16,000 (\$185,200 annually would remain).

Alternative B1a	PR
2001-03 FUNDING (Change to Base)	- \$32,000
<i>[Change to Bill]</i>	<i>- \$32,000]</i>

b. \$101,200 (\$100,000 annually would remain).

Alternative B1b	PR
2001-03 FUNDING (Change to Base)	- \$202,400
<i>[Change to Bill</i>	<i>- \$202,400]</i>

3. Maintain current law.

Prepared by: David Schug