



## 1995 ASSEMBLY BILL 7

January 9, 1995 - Introduced by Representatives FOTI, POWERS, VRAKAS, HOVEN, OLSEN, AINSWORTH, FREESE, DUFF, HANDRICK, JOHNSRUD, JENSEN, KREIBICH, KAUFERT, HARSORF, MUSSER, OWENS, SILBAUGH, SERATTI, KELSO, GREEN, COLEMAN, OURADA, KLUSMAN, BRANCEL, UNDERHEIM, WALKER, WARD, ZUKOWSKI, SCHNEIDERS, PROSSER, PORTER, ALBERS and GOETSCH. Referred to Committee on Ways and Means.

1     **AN ACT to amend** 20.001 (3) (d); and **to create** 13.40 of the statutes; **relating**  
2           **to:** a limitation upon state appropriations and expenditures from general  
3           purpose revenue.

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### *Analysis by the Legislative Reference Bureau*

This bill creates a statutory provision which states that the sum of the total sum certain appropriations enacted by the legislature from general purpose revenue for any fiscal year and the total expenditures made under sum sufficient appropriations from general purpose revenue for that fiscal year may not exceed the sum of the amount appropriated for those sum certain appropriations in the previous fiscal year and the amount expended from those sum sufficient appropriations in the previous fiscal year, as affected by the rate of change in this state's per capita personal income between the 2 most recent calendar years preceding that fiscal year.

The limit does not apply to any appropriation for principal repayment and interest payments on public debt, any appropriation providing for state aids to local governments or any appropriation that is required to meet an unanticipated fiscal emergency which requires general purpose revenue expenditures to preserve the health, safety or welfare of this state, if the appropriation is enacted with the approval of at least two-thirds of the members of each house of the legislature and is expendable for a period not exceeding 12 months (extendable for one additional 12-month period by similar action). The limit also does not apply to any appropriation that is required to meet the increased costs of a federal mandate. In addition, the limit does not apply to any appropriation that is enacted with the approval of at least two-thirds of the members of each house of the legislature to meet the increased costs of a locally administered program. The limit is reduced by

amounts allocated by the federal government or local governments to fund programs that the state previously funded.

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

1           **SECTION 1.** 13.40 of the statutes is created to read:

2           **13.40 Limitation on state appropriations and expenditures from**  
3 **general purpose revenue. (1)** In this section, “general purpose revenue” has the  
4 meaning given in s. 20.001 (2) (a).

5           **(2)** Except as provided in subs. (3) to (5), the sum of the total sum certain  
6 appropriations enacted by the legislature from general purpose revenue for any  
7 fiscal year and the total expenditures made under sum sufficient appropriations  
8 from general purpose revenue for that fiscal year may not exceed the sum of the total  
9 sum certain appropriations enacted by the legislature from general purpose revenue  
10 for the previous fiscal year and the total expenditures made under sum sufficient  
11 appropriations from general purpose revenue for that fiscal year multiplied by the  
12 sum of 1.0 and the percentage change in this state’s per capita personal income  
13 between the preceding calendar year and the 2nd preceding calendar year expressed  
14 as a decimal, as determined by the secretary of administration.

15           **(3)** The limitation under sub. (2) does not apply to any of the following:

16           (a) Any appropriation for principal repayment and interest payments on public  
17 debt, as defined in s. 18.01 (4).

18           (b) Any appropriation providing for state aids to any local government.

19           (c) Any appropriation that is required to meet an unanticipated fiscal  
20 emergency which requires general purpose revenue expenditures to preserve the  
21 health, safety or welfare of this state, if the appropriation is enacted with the

1 approval of at least two-thirds of the members of each house of the legislature and  
2 if the appropriation is expendable for a period of not more than 12 months, except  
3 that during the final month of that period, with the approval of two-thirds of the  
4 members of each house, the legislature by law may extend for not more than 12  
5 months the time during which that appropriation is expendable.

6 (d) Any appropriation that is required to meet the increased costs incurred in  
7 any fiscal year of any program administered by this state that is mandated by the  
8 federal government, exceeding those costs incurred in the preceding fiscal year, if the  
9 program was created or changed in such a way as to increase state costs as compared  
10 with the preceding fiscal year.

11 (e) Any appropriation that is required to meet the increased costs incurred in  
12 any fiscal year of funding a program administered by this state that was funded by  
13 the federal government in the preceding fiscal year, if the appropriation is enacted  
14 with the approval of at least two-thirds of the members of each house of the  
15 legislature.

16 (f) Any appropriation that is required to meet the increased costs incurred in  
17 any fiscal year of funding a program administered by local governments in the  
18 preceding fiscal year, if the appropriation is enacted with the approval of at least  
19 two-thirds of the members of each house of the legislature.

20 (4) Whenever in any fiscal year the federal government assumes fiscal  
21 responsibility for a state program previously funded from general purpose revenues,  
22 the limitation under sub. (2) for the next fiscal year shall be reduced by the amount  
23 allocated to that program for the most recently completed fiscal year in which the  
24 state assumed fiscal responsibility for the program.

