



## Legislative Fiscal Bureau

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May 10, 2001

Joint Committee on Finance

Paper #620

### **Repeal of Capitol Offices Relocation Appropriation (Miscellaneous Appropriations)**

[LFB 2001-03 Budget Summary: Page 458, # 4 (part)]

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#### **CURRENT LAW**

The costs of leased space for the Assembly and Senate Chief Clerks and their staffs, the staffs of the Assembly and Senate Caucuses, the Legislative Documents room, the Senate Sergeant's staff, four legislative service agencies (Legislative Council, Legislative Reference Bureau, Legislative Fiscal Bureau and Legislative Technology Services Bureau), the State Law Library, the offices of the Supreme Court Justices and the office of the Lieutenant Governor are all currently being paid from the capitol offices relocation appropriation.

#### **GOVERNOR**

Shift funding for space for all of the above entities that will remain in leased locations (the Supreme Court Justices and the Lieutenant Governor are expected to return to the Capitol by the end of this calendar year) from the capitol offices relocation appropriation to the individual appropriations supporting the general program operations of the respective agencies. Provide funding for remaining 2001-03 rent obligations for vacated space of \$1,607,600 GPR in 2001-02 and \$1,103,300 GPR in 2002-03. Include language to repeal the appropriation effective July 1, 2003.

#### **DISCUSSION POINTS**

1. The capitol offices relocation appropriation was originally established in the 1989-91 budget when the initial relocation of those legislative service agencies then located in the Capitol and the Assembly and Senate Chief Clerks staffs to leased space around the capitol square took place. This was done to allow commencement of the anticipated ten-year phased remodeling of the

State Capitol. In addition, during the course of the remodeling, legislators and their staffs, constitutional officers, Supreme Court Justices and the Law Library were, at different points, all temporarily or permanently relocated to accomplish the remodeling of individual wings.

2. Under the Governor's budget instructions, those entities not returning to the Capitol were directed to include in their respective budget requests the estimated full funding necessary to pay out of their respective appropriations in 2001-03 the on-going costs of their leased office space. Some of the moves occurring in this fiscal year or in the next biennium will result in the vacating of certain leased space before the end of the lease terms. As a result, there will be remaining lease obligations that still must be paid until the end of lease terms unless other tenants can be found or the leases are otherwise terminated before their current expiration dates. Funds for lease payments for this space being vacated in the next biennium is included in the capitol offices relocation appropriation for 2001-03.

3. Under the Governor's budget recommendations, the capitol offices relocation appropriation would be repealed effective July 1, 2003. However, there are some of these rent obligations for vacated space that will remain beyond the end of the next biennium as shown in the table below.

**Remaining Lease Payment Obligations from Capitol Offices Relocation Appropriation**

<u>Space Location</u>	<u>Lease End Date</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>
<b>Hamilton Building</b>					
Reference Bureau	10/31/04	\$710,396	\$731,353	\$753,294	\$205,605
Senate	10/31/04	202,452	208,429	214,861	58,603
<b>Tenney Building</b>					
Retirement Comm.	3/31/03	11,617	8,903	0	0
<b>Firststar Building</b>					
Senate Caucuses	12/31/02	151,490	76,865	0	0
Lt. Governor	05/31/02	41,937	0	0	0
<b>One East Main Building</b>					
Documents	10/31/02	176,174	58,725	0	0
Law Library	*	158,803	0	0	0
<b>Insurance Building</b>					
Senate Chief Clerk	10/31/02	57,017	19,006	0	0
Supreme Court	10/31/01	<u>97,729</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTALS</b>		<b>\$1,607,615</b>	<b>\$1,103,281</b>	<b>\$968,155</b>	<b>\$264,208</b>

\*Rent obligation will shift to Reference Bureau once the Law Library moves out.

4. Under the Governor's budget recommendations, there is no specification for how, with the proposed repeal of the capitol offices relocation appropriation, these remaining obligations would be funded in 2003-05. Rather than leave the issue of such funding until the 2003-05 biennial budget, the Committee could delete the repeal of the capitol offices relocation appropriation from the budget. This would allow those remaining 2003-05 rent obligations to continue to be paid from this appropriation if no other arrangements are made.

#### **ALTERNATIVES**

1. Approve the Governor's recommendation.
2. Delete the proposed repeal of the capitol offices relocation appropriation.

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