



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #593

Joint Committee on Finance Supplemental Appropriations (Program Supplements)

[LFB 2003-05 Budget Summary: Page 341, #3]

CURRENT LAW

Under the program supplements section of the appropriations schedule, there are established supplemental appropriations for release to agencies' appropriations of monies that come from GPR, PR, FED and SEG funding sources. These appropriations are established to permit the Joint Committee on Finance to supplement individual agency appropriations of the same funding source for emergency situations pursuant to procedures set forth under ss. 13.101 and 16.505 of the statutes.

GOVERNOR

Reduce base level funding for the Joint Committee on Finance supplemental appropriations by \$1,036,400 GPR, \$650,800 PR and \$3,975,000 SEG annually. These reductions reflect the removal of one-time adjusted base funding that was placed in the respective GPR, PR and SEG supplemental appropriations under the 2001-03 budget and reserved for specific funding allocations. [Note: These reserved allocations included funding for such purposes as: (a) fuel and utility cost increases in the Department of Corrections; (b) costs for immunization registries and SeniorCare program startup in the Department of Health and Family Services; (c) funding for the State Hygiene Lab; (d) IT consultant costs in the Department of Regulation and Licensing; and (e) funding for a benefits payment system project in the Department of Employee Trust Funds.] Some or all of these reserved funds have been or will be allocated to the respective indicated state agencies during the 2001-03 biennium. Under the bill, there would be no reserved funds provided in 2003-05 for any purpose.

In addition, the GPR reduction also reflects the elimination of unreserved base GPR funding of \$459,200 annually for general supplementation purposes. Consequently, under the bill there would be no GPR funds appropriated to the Joint Committee on Finance for emergency supplementation purposes.

DISCUSSION POINTS

1. For general supplements to state agencies' appropriations that are not from general purpose revenues, the supplemental appropriations under the authority of the Joint Committee on Finance merely serve as a vehicle to allow an agency, with the approval of the Committee under ss. 13.101 or 16.505, to expend additional monies from its program revenue or segregated fund accounts. However, in the case of agencies' with GPR appropriations that need supplemental funding, the only mechanism available to the Committee is amounts available from any unreserved monies that are appropriated under the biennial budget (or other legislation) in its general GPR supplemental appropriation.

2. Historically, the Committee had funds appropriated to it in every biennial budget to meet small emergency needs of GPR-funded state agencies. Major funding emergencies, of course, require action in the form of legislation. The Committee meets quarterly to consider such emergency requests from state agencies. The average level of funding that has been provided to the Committee as unreserved funding provided for general emergency purposes in recent biennial budgets is shown in the table below.

**Joint Finance Committee GPR Supplemental Appropriation
Biennial Budget Act Funding Level**

<u>Fiscal Biennium</u>	<u>First Year</u>	<u>Second Year</u>
2001-03	\$475,000	\$475,000
1999-01	591,200	591,200
1997-99	352,200	352,200
1995-97	352,200	352,200

3. In a departure from past practices, the Governor's budget would not provide any funding in the Committee's unreserved appropriation for consideration of agency emergency needs.

4. The Committee could appropriate some level of GPR funding to the Committee's supplemental appropriation to allow it to consider emergency funding requests. Funding levels the Committee could consider would be: (a) \$591,200 annually, the highest level of funding provided in the Committee's supplemental appropriation in the last four biennia; (b) \$352,200 annually, the lowest level of funding provided to the Committee in last four biennia; or (c) \$150,000 GPR per year as a minimal level. The Committee's GPR appropriation is a biennial appropriation, so that any

funds not needed in the first fiscal year remain available in the second fiscal year. Any GPR funds not released at the end of the biennium revert to the general fund.

ALTERNATIVES

1. Approve the Governor's recommendation to not provide any GPR funding in the Committee's supplemental appropriation for emergency needs.

2. Provide funding of \$591,200 GPR annually in the Committee's GPR supplemental appropriation.

Alternative 2	GPR
2003-05 FUNDING (Change to Bill)	\$1,182,400

3. Provide funding of \$352,200 GPR annually in the Committee's GPR supplemental appropriation.

Alternative 3	GPR
2003-05 FUNDING (Change to Bill)	\$704,400

4. Provide funding of \$150,000 GPR annually in the Committee's GPR supplemental appropriation.

Alternative 4	GPR
2003-05 FUNDING (Change to Bill)	\$300,000

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