



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

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Joint Committee on Finance

Paper #213

Wisconsin Development Fund -- GPR Lapse to General Fund (Commerce)

CURRENT LAW

Under the Wisconsin Development Fund (WDF) when grants and loans are approved, Commerce encumbers the amount of the award, to ensure each recipient has sufficient funding for the approved project. Most loans and grant funds are provided on a reimbursement basis. Since some projects have several phases, funds are disbursed over a number of years.

In the course of its fiscal year 2003-04 single audit of the State of Wisconsin, the Legislative Audit Bureau (LAB) identified \$336,700 GPR in encumbrances that were for inactive grants and loans. LAB indicates that the Legislature may want to direct Commerce to lapse this amount to the general fund.

GOVERNOR

No provision.

MODIFICATION

Commerce has indicated it will lapse \$336,700 GPR in 2004-05 in encumbrances for inactive grants and loans from the WDF to the general fund. This will increase the July 1, 2005, opening balance of the general fund by \$336,700.

<u>Modification</u>	<u>GPR-REV</u>
2004-05 REVENUE (Change to Bill)	\$336,700

Prepared by: Ron Shanovich