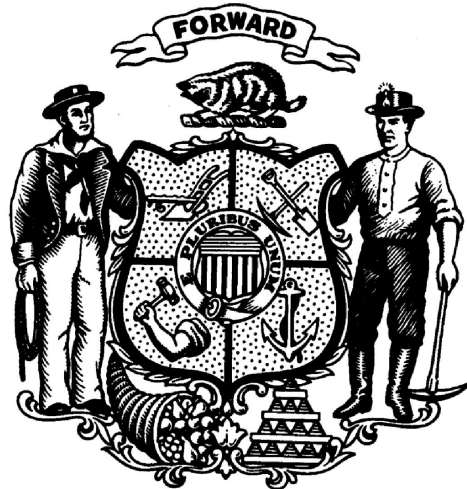


Wisconsin State Budget

Overview



Legislative Fiscal Bureau
December 9, 2020

Wisconsin State Budget

Selected Constitutional and Statutory Provisions

Constitution

Article VIII, Section 5. The legislature shall provide for an annual tax sufficient to defray the estimated expenses of the state for each year; and whenever the expenses of any year shall exceed the income, the legislature shall provide for levying a tax for the ensuing year, sufficient, with other sources of income, to pay the deficiency as well as the estimated expenses of such ensuing year.

Statutes

16.45 Budget message to legislature. In each regular session of the legislature, the governor shall deliver the budget message to the 2 houses in joint session assembled. Unless a later date is requested by the governor and approved by the legislature in the form of a joint resolution, the budget message shall be delivered on or before the last Tuesday in January of the odd-numbered year. With the message, the Governor shall transmit to the Legislature the biennial budget report and the budget bill or bills.

16.47(1m) Budget bill. Immediately after the delivery of the budget message, the budget bill or bills shall be introduced without change into either house by the joint finance committee and when introduced shall be referred to that committee.

16.47(2) Passage of legislation before the budget. No bill containing an appropriation or increasing the cost of state government or decreasing state revenues in an annual amount exceeding \$10,000 shall be passed by either house until the budget bill has passed both houses; except that the governor or the joint committee on finance may recommend such bills to the presiding officer of either house, in writing, for passage and the legislature may enact them, and except that the senate or assembly committee on organization may recommend to the presiding officer of its respective house any such bill not affecting state finances by more than \$100,000 biennially.

20.002(1) Effective period of appropriations. Unless otherwise provided appropriations shall become effective on July 1 of the fiscal year shown in the schedule under s. 20.005 and shall be expendable until the following June 30. If the legislature does not amend or eliminate any existing appropriation on or before July 1 of the odd-numbered years, such existing appropriations provided for the previous fiscal year shall be in effect in the new fiscal year and all subsequent fiscal years until amended or eliminated by the legislature.

Legislative History of Biennial Budgets 2011-13 Thru 2019-21

	2011-13	2013-15	2015-17	2017-19	2019-21
Budget Delivered	March 1 (AB 40/SB 27) April 5 (capital)	Feb 20 (AB 40) April 2 (capital)	Feb 3 (AB 21/SB 21) April 7 (capital)	Feb 8 (AB 64/SB 30) April 4 (capital)	Feb 28 (AB 56/SB 59) April 2 (capital)
Agency Informational Briefings	March 29, 30, 31, April 4, & 6	March 19, 20, 21 & 26	March 2, 3, & 4	March 28, 29, 30	April 3, 4
Public Hearings	Stevens Point--April 7 Superior--April 8 West Allis--April 11 Neenah--April 13	Greendale--April 4 Green Bay--April 8 Wisconsin Dells--Apr 10 Baldwin--April 18	Brillion--March 18 Milwaukee--March 20 Rice Lake--March 23 Reedsburg--March 26	Platteville--April 3 West Allis--April 5 Berlin--April 7 Spooner--April 18 Ellsworth--April 19 Marinette--April 21	Janesville--April 5 Oak Creek--April 10 River Falls--April 15 Green Bay--April 24
Executive Sessions	April 26 thru June 3 (11 sessions)	April 25 thru June 4 (10 sessions)	April 15 thru July 2 (12 sessions)	May 1 - Sep 5 (12 sessions)	May 9 - June 11 (9 sessions)
JFC Substitute Reported to Legislature	June 13	June 14	July 2	September 11	June 20
Legislative Action	Assembly -- June 14 Senate -- June 16	Assembly -- June 18-19 Senate -- June 20-21	Senate -- July 7 Assembly -- July 8	Assembly -- September 13 Senate -- September 15	Assembly -- June 25 Senate -- June 26
Conference Committee	None	None	None	None	None
Final Passage	June 16	June 20	July 8	September 15	June 26
Enactment	June 30 (Act 32)	June 30 (Act 20)	July 13 (Act 55)	September 21 (Act 59)	July 3 (Act 9)
Partial Vetoes	50	57	104	98	78
Budget in Billions					
GPR	\$29.0	\$30.6	\$33.0	\$34.6	\$37.7
All Funds Budget	64.3	68.3	72.6	75.7	81.6
Bonding Authorization	1.7	2.1	0.7	0.8	1.9
Grand Total					
All Funds plus Bonding	\$66.0	\$70.4	\$73.3	\$76.5	\$83.5

TABLE 1

2019-21 Appropriations and Authorizations

<u>Fund Source</u>	<u>2019-20</u>	<u>2020-21</u>	<u>Total</u>	<u>% of Total</u>
General Purpose Revenue (GPR) "General Fund"	\$18,328,212,400	\$19,284,571,100	\$37,612,783,500	45.0%
Federal Revenue (FED)	11,589,837,500	11,772,481,100	23,362,318,600	28.0
Program Revenue (PR)	6,302,724,200	6,431,975,400	12,734,699,600	15.2
Segregated Revenue (SEG)	<u>3,971,411,600</u>	<u>3,977,109,100</u>	<u>7,948,520,700</u>	<u>9.5</u>
Subtotal	\$40,192,185,700	\$41,466,136,700	\$81,658,322,400	97.7%
Bond Revenue General Obligation Bonding Revenue Bonding			1,915,880,095 (1,773,625,495) (142,254,600)	2.3
TOTAL			\$83,574,202,495	100.0%

TABLE 2**2019-21 Appropriations and Authorized Positions**

	<u>All Funds</u>		<u>General Fund</u>	
	<u>Appropriation</u>	<u>Positions</u>	<u>Appropriation</u>	<u>Positions</u>
Administration	\$1,206,100,100	1,436.08	\$36,284,800	63.72
Agriculture, Trade and Consumer Protection	209,663,500	633.29	57,796,100	199.40
Appropriation Obligation Bonds	791,823,600	0.00	791,823,600	0.00
Board for People with Developmental Disabilities	3,194,400	7.00	239,200	0.00
Board of Commissioners of Public Lands	3,552,500	9.50	3,447,100	9.50
Board on Aging and Long-Term Care	7,193,600	44.50	3,153,100	20.48
Building Commission	58,032,400	0.00	54,459,400	0.00
Child Abuse and Neglect Prevention Board	6,444,000	7.00	1,990,000	0.00
Children and Families	2,758,020,900	788.16	954,415,800	232.92
Circuit Courts	209,042,400	527.00	208,577,000	527.00
Compensation Reserves	239,992,700	0.00	107,897,200	0.00
Corrections	2,670,658,900	10,213.92	2,430,346,100	9,668.62
Court of Appeals	22,682,400	75.50	22,682,400	75.50
District Attorneys	108,038,700	493.50	100,234,900	449.00
Educational Communications Board	42,092,300	55.18	12,375,900	26.94
Elections Commission	11,257,300	31.75	9,358,100	25.75
Employee Trust Funds	96,870,200	274.20	120,900	0.00
Employment Relations Commission	2,080,000	6.00	1,788,800	6.00
Environmental Improvement Program	36,734,000	0.00	20,734,000	0.00
Ethics Commission	2,870,400	8.00	1,821,900	4.55
Financial Institutions	39,712,500	141.54	0	0.00
Fox River Navigational System Authority	250,800	0.00	0	0.00
Governor	8,099,200	37.25	8,099,200	37.25
Health Services	26,094,873,500	6,351.19	8,562,610,300	2,657.23
Higher Educational Aids Board	286,576,000	10.00	282,941,200	10.00
Historical Society	61,386,700	181.54	42,538,000	112.65
Insurance Commissioner	361,907,100	134.83	72,273,700	0.00
Investment Board	124,889,400	203.00	0	0.00
Judicial Commission	632,200	2.00	632,200	2.00
Justice	289,032,600	717.14	129,451,900	408.58
Kickapoo Reserve Management Board	1,926,800	4.00	0	0.00
Labor and Industry Review Commission	5,353,100	18.70	334,500	0.80
Legislature	158,724,500	777.97	153,911,000	758.17
Lieutenant Governor	847,800	5.00	847,800	5.00
Lower Wisconsin State Riverway Board	494,600	2.00	0	0.00

	<u>All Funds</u>		<u>General Fund</u>	
	<u>Appropriation</u>	<u>Positions</u>	<u>Appropriation</u>	<u>Positions</u>
Medical College of Wisconsin	\$21,899,900	0.00	\$21,404,900	0.00
Military Affairs	259,670,800	521.10	62,556,000	82.08
Miscellaneous Appropriations	383,419,300	0.00	296,195,200	0.00
Natural Resources	1,120,221,500	2,521.60	205,512,700	223.52
Program Supplements	30,441,100	0.00	28,358,500	0.00
Public Defender	208,614,700	614.85	205,737,100	609.85
Public Instruction	15,457,871,700	641.00	13,303,236,900	252.47
Public Service Commission	103,260,000	153.25	0	0.00
Revenue	445,939,000	1,182.03	371,759,900	953.08
Safety and Professional Services	118,950,400	241.14	0	0.00
Secretary of State	553,000	2.00	0	0.00
Shared Revenue and Tax Relief	5,967,120,000	0.00	5,223,131,900	0.00
State Fair Park Board	48,719,100	47.00	5,177,200	0.00
State Treasurer	233,400	1.00	0	0.00
Supreme Court	64,889,200	236.25	35,047,900	115.50
Tourism	36,334,300	34.00	12,776,500	32.00
Transportation	6,609,654,000	3,244.11	305,618,600	0.00
University of Wisconsin System	12,641,645,600	36,273.16	2,263,661,200	17,814.49
Veterans Affairs	278,557,600	1,269.36	4,625,500	0.00
Wisconsin Economic Development Corporation	83,101,400	0.00	24,101,400	0.00
Wisconsin Technical College System	1,139,790,000	55.00	1,064,524,600	23.25
Workforce Development	<u>716,385,300</u>	<u>1,606.05</u>	<u>106,171,400</u>	<u>150.82</u>
TOTAL	\$81,658,322,400	71,839.64	\$37,612,783,500	35,558.12

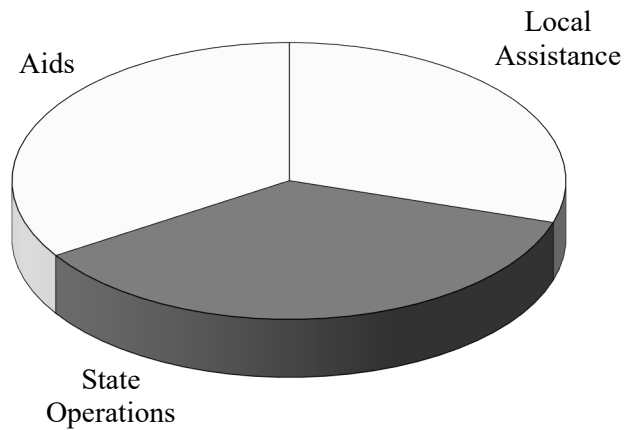
2020-21 Full-Time Equivalent Positions by Funding Source

<u>Fund</u>	<u>Number</u>	<u>% of Total</u>
GPR	35,558.12	49.50%
FED	10,613.82	14.77
PR	20,771.07	28.91
SEG	<u>4,896.63</u>	<u>6.82</u>
TOTAL	71,839.64	100.00%

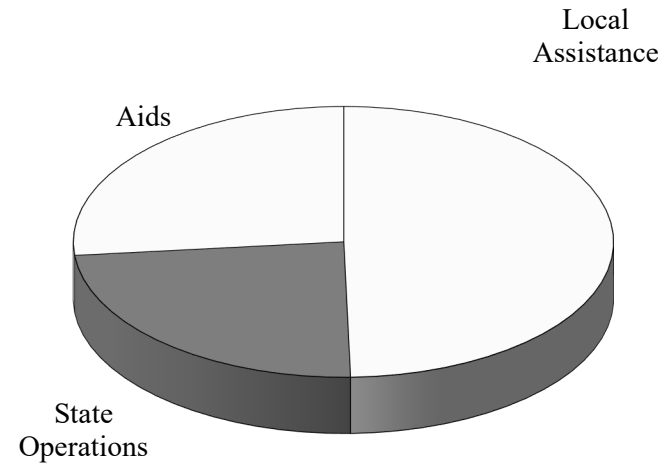
TABLE 3

2019-21 Appropriations By Purpose

All Funds



General Fund



<u>Purpose</u>	<u>Amount</u>	<u>% of Total</u>
State Operations	\$29,401,239,300	36.0%
Aids to Individuals and Organizations	27,853,331,200	34.1
Local Assistance	24,403,751,900	29.9
TOTAL	\$81,658,322,400	100.0%

<u>Purpose</u>	<u>Amount</u>	<u>% of Total</u>
State Operations	\$8,941,526,300	23.8%
Aids to Individuals and Organizations	10,002,836,600	26.6
Local Assistance	18,668,420,600	49.6
TOTAL	\$37,612,783,500	100.0%

TABLE 4

**2019-21 General Fund Appropriations
By Purpose and Major Budget Program**

	<u>Amount</u>	<u>% of Category</u>	<u>% of Budget</u>
LOCAL ASSISTANCE			
Elementary and Secondary School Aids	\$12,252,365,100	65.6%	32.6%
School Levy/First Dollar Tax Credits	2,178,537,300	11.7	5.8
Shared Revenue Payments	1,706,770,900	9.1	4.5
Technical College System Aids	1,058,486,600	5.7	2.8
Community and Family Services	605,308,600	3.2	1.6
Aid for Exempt Computer Property	196,094,200	1.1	0.5
Aid for Exempt Personal Property	149,460,200	0.8	0.4
Income Maintenance and Court Support Payments	100,778,200	0.5	0.3
Local Transportation Grants	90,000,000	0.5	0.2
Other	<u>330,619,500</u>	<u>1.8</u>	<u>0.9</u>
TOTAL -- Local Assistance	\$18,668,420,600	100.0%	49.6%
AIDS TO INDIVIDUALS AND ORGANIZATIONS			
Medical Assistance Benefits	\$6,706,859,000	67.0%	17.8%
Private School Choice Programs	726,267,900	7.3	1.9
Refundable Business Tax Credits	457,254,900	4.6	1.2
Public Assistance	320,254,000	3.2	0.9
Supplemental Security Income	318,384,400	3.2	0.8
Student Grants and Aids	296,430,400	3.0	0.8
Independent Charter Schools	158,674,300	1.6	0.4
Other Individual Tax Credits	156,800,000	1.6	0.4
Homestead Tax Credit	142,700,000	1.4	0.4
Milwaukee Child Welfare	132,325,400	1.3	0.4
Foster Care and Adoption Assistance	105,629,400	1.0	0.3
Other	<u>481,256,900</u>	<u>4.8</u>	<u>1.3</u>
TOTAL -- Aids to Individuals and Organizations	\$10,002,836,600	100.0%	26.6%
STATE OPERATIONS			
Correctional Operations	\$2,357,798,700	26.4%	6.3%
UW System	2,263,401,200	25.3	6.0
Appropriation Obligation Bonds	791,823,600	8.9	2.1
Judicial and Legal Services	624,866,300	7.0	1.7
State Residential Institutions	497,254,200	5.6	1.3
Tax Administration	371,759,900	4.1	1.0
Health Services/Children & Families	340,695,500	3.8	0.9
Transportation Debt Service	215,618,600	2.4	0.6
Income Tax Reciprocity	210,429,000	2.4	0.6
Conservation Fund	201,164,400	2.2	0.5
Natural Resources	188,968,100	2.1	0.5
Legislature	153,911,000	1.7	0.4
Compensation Reserves	107,897,200	1.2	0.3
Other	<u>615,938,600</u>	<u>6.9</u>	<u>1.6</u>
TOTAL -- State Operations	\$8,941,526,300	100.0%	23.8%
GRAND TOTAL	\$37,612,783,500		100.0%

TABLE 5

**2019-21 General Fund Appropriations
Top Ten Programs**

	<u>Amount</u>	<u>% of Total</u>	<u>Cumulative % Total</u>
Elementary and Secondary School Aids	\$12,252,365,100	32.6%	32.6%
Medical Assistance Benefits	6,706,859,000	17.8	50.4
Correctional Operations	2,357,798,700	6.3	56.7
UW System	2,263,401,200	6.0	62.7
School Levy/First Dollar Tax Credits	2,178,537,300	5.8	68.5
Shared Revenue Payments	1,706,770,900	4.5	73.0
Technical College System Aids	1,058,486,600	2.8	75.8
Appropriation Obligation Bonds	791,823,600	2.1	77.9
Private School Choice Programs	726,267,900	1.9	79.9
Judicial and Legal Services	<u>624,866,300</u>	<u>1.7</u>	81.5
Subtotal	\$30,667,176,600	81.5%	
All Other Programs	<u>6,945,606,900</u>	18.5%	100.0%
GRAND TOTAL	\$37,612,783,500	100.0%	

TABLE 6

**General Fund Taxes
(in Millions)**

<u>Tax Source</u>	<u>Actual</u>		<u>DOR Estimates -- November 20, 2020</u>		
	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
Individual Income	\$8,994.1	\$8,742.3	\$8,543.1	\$8,867.3	\$9,258.8
Sales	5,695.6	5,836.2	5,919.6	6,146.5	6,332.4
Corporate Income	1,338.1	1,607.9	1,864.0	1,653.6	1,704.8
Public Utility	364.9	357.2	359.2	363.8	366.3
Excise Taxes					
Cigarette	514.3	523.6	512.4	514.3	509.1
Tobacco	85.5	91.4	88.9	89.0	92.7
Vapor Products	---	1.3	1.4	1.5	1.5
Liquor and Wine	53.6	54.8	59.2	57.9	59.2
Beer	8.5	8.5	8.7	8.7	8.6
Insurance	194.4	217.4	211.1	218.7	231.9
Miscellaneous	<u>92.4</u>	<u>91.5</u>	<u>96.5</u>	<u>95.5</u>	<u>97.5</u>
Total	\$17,341.4	\$17,532.1	\$17,664.1	\$18,016.8	\$18,662.8
Change over Prior Year					
Amount		\$190.7	\$132.0	\$352.7	\$646.0
%		1.1%	0.8%	2.0%	3.6%

Budget Stabilization Fund (BSF) Transfer 2019-20 and 2020-21

	<u>2019-20</u>	<u>2020-21</u>
Actual/Estimate	\$17,532.1	\$17,664.1
2019 Act 9	<u>17,320.4</u>	<u>17,638.0</u>
Difference	\$211.7	\$26.1
÷ 2	\$105.9	\$13.1
Transfer to BSF*	\$105.9	\$13.1

*BSF balance is \$761.8 million after the \$105.9 million transfer was made in 2019-20.

TABLE 7**2019-21 General Fund Condition Statement**

	<u>Actual</u> <u>2019-20</u>	<u>Estimate</u> <u>2020-21*</u>
Revenues		
Opening Balance, July 1	\$1,086,900,000	\$1,172,300,000
Taxes	17,532,100,000	17,664,100,000
Departmental Revenues		
Tribal Gaming Revenues	5,300,000	0
Other	<u>528,300,000</u>	<u>528,900,000</u>
Total Available	\$19,152,600,000	\$19,365,300,000
Appropriations, Transfers, and Reserves		
Gross Appropriations	\$18,352,800,000	\$18,946,400,000
Transfers to:		
Transportation Fund	43,300,000	44,100,000
Budget Stabilization Fund	105,800,000	13,100,000
Compensation Reserves	3,700,000	94,500,000
Less Lapses	<u>-525,300,000</u>	<u>-954,600,000</u>
Net Appropriations	\$17,980,300,000	\$18,143,500,000
Balances		
Gross Balance	\$1,172,300,000	\$1,221,800,000
Less Required Statutory Balance	<u>-80,000,000</u>	<u>-85,000,000</u>
Net Balance	\$1,092,300,000	\$1,136,800,000

* November 20, 2020, estimate of the Departments of Administration and Revenue.

Governor's Veto Authority

Constitution

Article V, Section 10. Governor to approve or veto bills; proceedings on veto. (1)(a) Every bill which shall have passed the legislature shall, before it becomes a law, be presented to the governor.

(b) If the governor approves and signs the bill, the bill shall become law. Appropriation bills may be approved in whole or in part by the governor, and the part approved shall become law.

(c) In approving an appropriation bill in part, the governor may not create a new word by rejecting individual letters in the words of the enrolled bill, and may not create a new sentence by combining parts of 2 or more sentences of the enrolled bill.

(2) (a) If the governor rejects the bill, the governor shall return the bill, together with the objections in writing, to the house in which the bill originated. The house of origin shall enter the objections at large upon the journal and proceed to reconsider the bill. If, after such reconsideration, two-thirds of the members present agree to pass the bill notwithstanding the objections of the governor, it shall be sent, together with the objections, to the other house, by which it shall likewise be reconsidered, and if approved by two-thirds of the members present it shall become law.

(b) The rejected part of an appropriation bill, together with the governor's objections in writing, shall be returned to the house in which the bill originated. The house of origin shall enter the objections at large upon the journal and proceed to reconsider the rejected part of the appropriation bill. If, after such reconsideration, two-thirds of the members present agree to approve the rejected part notwithstanding the objections of the governor, it shall be sent, together with the objections, to the other house, by which it shall likewise be reconsidered, and if approved by two-thirds of the members present the rejected part shall become law.

(c) In all such cases the votes of both houses shall be determined by ayes and noes, and the names of the members voting for or against passage of the bill or the rejected part of the bill notwithstanding the objections of the governor shall be entered on the journal of each house respectively.

(3) Any bill not returned by the governor within 6 days (Sundays excepted) after it shall have been presented to the governor shall be law unless the legislature, by final adjournment, prevents the bill's return, in which case it shall not be law.