



Wisconsin Taxpayers Alliance

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NEWS

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Lifting the Veil on Wisconsin's State Budget Process

By Todd A. Berry, President, WISTAX

When Gov. Scott Walker (R) unveils his 2017-19 state budget next week, it will be the highlight of the two-year legislative session, dominating the attention of lawmakers, the public, and the press until summer or even beyond.

What makes the budget so important? And how do citizens understand how it's developed and proceeds through the Capitol?

In a new report, "Raising the curtain on the state budget," the nonpartisan Wisconsin Taxpayers Alliance (WISTAX) explains the critical importance of the budget bill to both state and local government and provides a guide to the state budget process. WISTAX is a nonpartisan, nonprofit organization devoted to public policy research and citizen education. The report, available now, notes:

The budget is big: The 1,000-plus-page bill affects virtually every aspect of state and local government for the next two years. It is often controversial, with recent budgets proposing policy changes ranging from welfare reform to UW System restructuring. And it is costly, spending more than \$70 billion on state and local government operations and programs, and regulating more than \$20 billion in property taxes.

The budget is political: The state budget implements the tax and spending priorities of the governor and legislative majority. It delivers on campaign promises and lays the groundwork for the next election.

The budget is "the" bill: Because the budget is the only bill the legislature must pass, it has become the primary vehicle for passing a variety of laws. Increasingly, lawmakers have rolled controversial bills that might not otherwise survive as separate legislation into the biennial budget bill.

The budget takes time: The budget process, which lasts nearly a year from beginning to end, starts and finishes with the governor. The summer before the budget is introduced, the governor issues spending guidelines to state agencies. By fall, agency requests are totalled, preliminary revenue estimates are assembled, and the governor

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The Wisconsin Taxpayers Alliance, founded in 1932, is the state's oldest and most respected private government-research organization. Through its research, publications, civic lectures, and school talks, WISTAX aims to improve Wisconsin government through citizen education. Nonprofit, nonpartisan, and independently funded, WISTAX is not affiliated with any group—national, state, or local—and receives no government support.

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begins making spending and tax decisions.

The governor usually introduces the budget proposal in early February of odd-numbered years. The focus then moves to the Joint Committee on Finance (JCF), which is typically the only committee to review, amend, and approve the bill. JCF begins in late February or early March with agency briefings, followed by public hearings.

The real work on the budget lasts from April until late May, when the committee amends the bill, voting on individual proposals. When committee action concludes, the bill moves to each house of the legislature for approval, usually in June. If the two houses can't agree to each other's amendments, the bill goes to a conference committee where a compromise is worked out.

After lawmakers pass the budget bill, it returns to the governor. With some of the broadest veto powers in the nation, the governor can veto the whole bill, strike out individual line items or whole sections, or "write down" spending amounts. Lawmakers can always override the governor's vetoes, but they have not done so in more than three decades.

Ideally, a new budget takes effect on July 1, the start of the state's fiscal year, but in recent years, lawmakers have occasionally taken until even October to pass a final bill. In the absence of a new budget, state spending and taxes continue at current levels.

Many budget materials are available online, including the bill itself and analyses by the Legislative Fiscal Bureau. As always, the nonpartisan Wisconsin Taxpayers Alliance researches and analyzes the state budget, providing residents with insights through its monthly *Wisconsin Taxpayer* magazine and biweekly *Focus* newsletter. Further updates can be found on the WISTAX blog, Facebook, and website at www.wistax.org.

The WISTAX report, "Raising the curtain on the state budget" is available by visiting www.wistax.org; emailing wistax@wistax.org; calling 608.241.9789; or writing WISTAX at 401 North Lawn Ave., Madison, WI 53704-5033. □

(Editor's Note: An electronic version of this release is available at www.wistax.org.)