



Legislative Fiscal Bureau

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March 12, 2018

TO: Representative Gordon Hintz
Room 201 West, State Capitol

FROM: Bob Lang, Director

SUBJECT: General Fund Fiscal Effects of Certain Legislation

At your request, this memorandum provides information on the 2017-19 general fund effect of the legislation enacted to date in the current legislative session, enrolled bills, and bills passed by the Assembly and messaged to the Senate.

On January 17, 2018, this office distributed its estimate of general fund tax collections and expenditures for the current biennium. That analysis, which included the fiscal effects of 2017 Acts 1 through 135, indicated that the net ending balance for the biennium (June 30, 2019) would be \$385.2 million. Since January 17, 2018, to date, five additional bills have been enacted into law. None of those acts have a 2017-19 general fund fiscal effect.

Enrolled Bills. As of this date, there are 116 bills which have passed both houses of the Legislature and are waiting review and action by the Governor. Those enrolled bills with a 2017-19 general fund fiscal effect are shown below.

<u>Bill</u>	<u>Topic</u>	<u>2017-18</u>	<u>2018-19</u>	
Increases Appropriations				
SB 667	Livestock Premises Registration	\$100,000	\$100,000	GPR
SB 711	Grants for College Courses	0	500,000	GPR
AB 779	Grants for Community-Based Services	210,000	210,000	GPR
AB 784	Parents Right to Counsel	0	739,600	GPR
AB 786	Court Appointed Special Advocates	250,000	250,000	GPR
AB 787	Grants for Foster Parents	0	400,000	GPR
AB 835	Sparsity Aid	0	6,454,600	GPR
	Subtotal -- Increases Appropriations	\$560,000	\$8,654,200	GPR
Decreases Revenues				
SB 668	Historic Rehabilitation Tax Credit	\$0	-\$3,500,000	GPR-Tax
AB 489	Qualified New Business Venture	0	-5,000,000	GPR-Tax
	Subtotal -- Decreases Revenues	\$0	-\$8,500,000	GPR-Tax
	Subtotal -- Change to General Fund Balance	-\$560,000	-\$17,154,200	

Bills Passed by the Assembly and Messaged to the Senate. There are 218 bills that have passed the Assembly and have been messaged to the Senate. Following is an identification of those bills which have a 2017-19 general fund fiscal effect.

<u>Bill</u>	<u>Topic</u>	<u>2017-18</u>	<u>2018-19</u>	
Increases Appropriations				
AB 231	Prosecutor Board	\$0	\$43,300	GPR
AB 237	Grants for Homeless Employment	75,000	75,000	GPR
AB 305	Grants for Language Interpretation	0	100,000	GPR
AB 501	FoodShare Healthy Eating Incentive	425,000	0	GPR
AB 577	Grants for Donation of Farm Products	250,000	250,000	GPR
AB 632	Grants for Alzheimer's Disease Awareness	500,000	0	GPR
AB 654	CPR	250,000	0	GPR
AB 732	Outreach Support for Veterans	180,000	719,800	GPR
AB 777	UW and WTCS Tuition Remissions	0	530,000	GPR
AB 808	Grants for Apprenticeships	100,000	100,000	GPR
AB 811	Talent Attraction and Retention	6,800,000	0	GPR
AB 819	Employment of Disabled Individuals	75,000	75,000	GPR
AB 906	Drug Trafficking Grants	1,050,000	2,300,000	GPR
AB 907	Education in Prescribing Controlled Substances	0	300,000	GPR
AB 912	Rural Economic Development	0	50,000,000	GPR
AB 938	Grants for Suicide Awareness	27,500	110,000	GPR
AB 944	Sales and Use Tax Rebate and Holiday	477,000	122,446,200	GPR
	Subtotal -- Increases Appropriations	\$10,209,500	\$177,049,300	GPR
Decreases Revenues				
AB 259	Adoption of Federal Tax Law Changes	-100,000	-23,920,000	GPR-Tax
AB 402	Sales Tax Exemption for Veterans Organizations	0	-600,000	GPR-Tax
AB 734	Income Tax Deduction for Tuition	0	-1,000,000	GPR-Tax
AB 897	Fees for Foreign Corporations	0	-146,600	GPR-Rev
AB 944	Sales and Use Tax Rebate and Holiday	0	-51,500,000	GPR-Tax
	Subtotal -- Decreases Revenues	-\$100,000	-\$77,166,600	GPR-Tax/Rev
	Subtotal -- Change to General Fund Balance	-\$10,309,500	-\$254,215,900	
GRAND TOTAL -- Enrolled Bills and Bills Passed				
	by the Assembly -- Change to General Fund Balance	-\$10,869,500	-\$271,370,100	
	Biennial Change to Balance		-\$282,239,600	

As shown above, if all of the enrolled bills and all bills passed by the Assembly and messaged to the Senate were to become law, the \$385.2 million net general fund balance would be reduced by \$282.2 million. In addition, due to the tax changes of the enrolled bills and those bills passed by the Assembly, the amounts transferred to the budget stabilization fund would be \$14.0 million less than what was estimated in this office's January 17, 2018, analysis. Thus, the projected net balance at the end of the current biennium would be \$117.0 million (\$385.2 - \$282.2 + 14.0 = \$117.0 million).

Following is a 2017-19 general fund condition statement, which displays the \$117.0 million net balance at the end of the current biennium (June 30, 2019).

**2017-19 General Fund Condition Statement
(In Millions)**

	<u>2017-18</u>	<u>2018-19</u>
Revenues		
Opening Balance, July 1	\$579.0	\$641.3
Taxes	16,125.8	16,593.3
Departmental Revenues		
Tribal Gaming Revenues	26.2	26.1
Other	<u>485.9</u>	<u>451.9</u>
Total Available	\$17,216.9	\$17,712.6
Appropriations and Reserves		
Gross Appropriations	\$16,859.6	\$17,880.8
Transfers to		
Transportation Fund	40.2	41.6
Budget Stabilization Fund	24.2	0.0
Compensation Reserves	3.1	52.1
Less Lapses	<u>-351.5</u>	<u>-453.9</u>
Net Appropriations	\$16,575.6	\$17,520.6
Balances		
Gross Balance	\$641.3	\$192.0
Less Required Statutory Balance	<u>-70.0</u>	<u>-75.0</u>
Net Balance, June 30	\$571.3	\$117.0

BL/lb