



Excerpt from
June, 2009
Newsletter

Budget Update #3: JFC Clears 2009-11 Budget

The state budget cleared its first major hurdle by passing out of the Joint Finance Committee (JFC) on a party-line vote of 12-4. The highlights of the JFC Budget are as follows:

Revenue

The JFC maintains the governor's oil company assessment including the prohibition on passing the cost on to consumers. The JFC proposal estimates the revenue from the assessment at \$260 million over the biennium.

Transfers

The governor's budget proposal included \$139 million in transfers over the biennium. Some of the transfer was to be accomplished by moving five general purpose revenue (GPR) appropriations to the transportation fund. JFC deletes the conversion of the GPR appropriations, makes the entire \$139 amount simply a transfer and replaces the segregated transportation funds with general-fund supported general obligation bonds. The JFC budget also includes an additional transfer of \$65 million over the biennium to reflect the 5.135% reduction in base funding affecting most agencies, the elimination of the 2% general wage adjustment and the state employee furloughs.

Across the Board Funding Cuts/ Agency Reductions

The JFC budget adds to the governor's original 1% across-the-board reduction in state programs with a 5.135% reduction in base funding for most programs. Programs not listed below will generally receive state funding in both years of the biennium roughly equal to 2009 base less 6%.

Significant Program Funding Changes

Majors Highway Program - The JFC budget increases funding for the Majors Program by \$42 million over the amount proposed by the governor.

State Highway Rehabilitation - The JFC budget provides a \$5 million increase over the governor's proposal.

Southeast Freeway - The JFC budget reduces the funding increase for Southeast Wisconsin freeway reconstruction included in the governor's budget by \$47 million.

General Transportation Aids - The JFC budget provides increased funding for transportation aids of 2% in 2010 and 3% 2011.

Transit and Elderly/Disabled Aids - The JFC budget maintains increased funding for the Transit Aid and the County Elderly and Disabled Transportation Assistance programs of 2% in calendar year 2010 and 3% in calendar year 2011.

Intercity Bus Assistance - The JFC budget reduces the governor's proposed \$2.5

million over the biennium by \$614, 300.

Amtrak - The JFC budget deletes the governor's provision to provide increased funding for Amtrak. Instead, it provides \$4 million in the JFC's supplemental appropriation to maintain existing service and add an additional car.

Aeronautic Assistance - The JFC budget restores state funding to 2009 base levels in order to meet the maintenance of effort requirement under the federal stimulus legislation.

Harbor Assistance Program - The JFC budget reduces the \$19.1 million of bonding authority for harbor projects in the governor's proposal to \$12.7 million.

Policy Changes

Regional Transit Authorities - As covered in the [May TDA Newsletter](#), the JFC also modifies the governor's proposal for Regional Transit Authorities (RTAs) by eliminating the Fox Valley RTA and changing the Dane County and Southeast Wisconsin RTAs.

Primary Seat Belt Enforcement - The JFC budget maintains the proposal to authorize a law enforcement officer to stop or inspect a vehicle solely to determine compliance with seat belt use requirements, subject to any constitutional requirement that the officer have probable cause to believe that a violation has occurred. However, the JFC deletes the provision to increase from \$10 to \$25 the penalty for violating this state's laws requiring the use of seat belts.

Registration Plates - JFC deletes from the governor's budget the provision to provide for only one registration plate (two currently) for most motor vehicles and to eliminate the ten-year plate redesign and reissuance schedule.

Registration Decals - JFC deletes from the governor's budget the provision that would have eliminated the requirement that vehicle registration plates display an indication of the vehicle's registration period or expiration date and that registration plates for certain vehicles indicate the weight class into which the vehicle falls.

Driver Cards for Applicants Without Proof of Legal Presence - New in the JFC budget is the requirement that the Wisconsin Department of Transportation issue a limited purpose driver license to applicants who are unable to provide proof of legal presence in the United States if the applicants meet certain criteria.

The Assembly is the first of the two houses to take up the budget now that it has passed the budget writing committee. The Assembly Democrats have been caucusing and are expected to go to the floor within a matter of days. After the package makes it out of the Assembly, the Senate will take it up and then it will either go to a conference committee if the packages are different or directly on to the governor if there is concurrence.

It is far from clear at this point whether the votes are solidly lined up in either house. The Assembly Democrats hold a 52-46 majority (with one

Independent). It will take fifty votes to gain passage in the Assembly. The Senate Democrats hold an 18-15 majority in the senate. It will take seventeen votes to gain passage in the Senate.

Some of the items included in the JFC version of the package that are apparently causing ongoing negotiations are: changes to the joint and several liability law, the no pass-through clause of the oil company assessment, changes in collective bargaining provisions for school district employees, changes to requirements for motor vehicle insurance, a proposed sunset of the new higher income tax bracket and domestic partners and equal rights benefits.

Democratic Representative Bob Ziegelbauer has already circulated a co-sponsorship memo for amendments on several of these issues. He has indicated he is not inclined to vote for the budget unless the changes outlined in his amendments are passed. [Click here](#) to see a copy of the co-sponsorship memo.

[Click here](#) to view the Legislative Fiscal Bureau analysis of the JFC transportation provisions.