

The Wisconsin Biennial Budget Process

Overview of Governmental Structure

There are three branches of Wisconsin state government: legislative, executive and judicial. The legislative branch includes the Wisconsin Legislature, composed of the senate and assembly, and the service agencies and staff that assist legislators. The governor heads the executive branch, which includes five other elected constitutional officers, as well as 18 departments, and 13 independent agencies created by statute.ⁱ

The Budget Process in a Nutshell

The budget bill is the longest and most complex bill of the legislative session. It covers a 2-year period from July 1 of one odd-numbered year through June 30 of the next. (e.g., July 1, 2005 – June 30, 2007) The governor is required to deliver the budget message to the new legislature on or before the last Tuesday in January, although the legislature can extend the deadline at the governor's request. This message is accompanied by the state budget report and the biennial executive budget bill or bills, proposed by the governor, which will be introduced by one house of the legislature and sent to the Joint Committee on Finance** without change.ⁱⁱ

In the legislature, the Joint Committee on Finance holds hearings on the departmental requests and governor's program initiatives. When completed, the Joint Committee on Finance reports the budget bill to the house of the legislature where it was introduced. The committee's report takes the form of a substitute amendment, which is a modified version of the governor's budget.

The bill then follows the normal legislative procedure through both houses of the legislature, although it is amended many times. In most sessions, the budget bill has required a conference committee* before final passage.ⁱⁱⁱ The purpose of the conference committee is to resolve differences between the two legislative bodies' versions of the budget. When finally passed by the legislature, the budget bill is submitted for the governor's approval. The governor may sign the budget bill, veto it in its entirety (which would be unlikely), or use partial vetoes (line-item veto), as is usually the case.^{iv}

*Conference Committee

When two houses pass different versions of a bill, and are not able to resolve their differences through amendments, one house may request a committee of conference. The conference committee is made up of representatives of both the senate and assembly, generally the leaders of each house. The rules do not require bipartisan representation, although members of both parties are often appointed.

A conference committee report, which requires agreement of the majority of each house's representatives, will consist of the committee's recommendations to the legislature and may include one or more simple amendments or a substitute amendment to the bill. When either house takes up the conference report, the question is simply adoption or rejection of the report. A conference report cannot be amended. Approval of the report by roll call vote in each house constitutes final passage of the bill.^v The biennial budget bill is usually resolved in the manner.



****Joint Committee on Finance**

The Joint Committee of Finance examines all legislation that deals with state income and spending before it can be enacted into law.^{vi} The joint committee introduces the biennial budget as recommended by the governor. After holding a series of public hearings and executive sessions, it submits its own version of the budget as a substitute amendment to be considered by the legislature.

The committee is composed of the 8 senators on the Senate Finance Committee and the 8 representatives on the Assembly Finance Committee. It must include members of the majority and minority party in each house.^{vii}

Governor's Veto Power

All bills passed by the legislature must either be approved by the governor or passed over the governor's veto (which requires a 2/3 vote in each house) before they can become law. The governor may veto an entire bill or veto specific parts of appropriation bills.^{viii} The veto power gives the governor a great deal of power over the content of any new law, particularly the final version of the biennial budget.^{ix}

ⁱ State of Wisconsin Blue Book, p. 246, 2002 edition

ⁱⁱ State of Wisconsin Blue Book, p.166, 1993-94 edition

ⁱⁱⁱ Ibid

^{iv} State of Wisconsin Blue Book, p. 269-70, 2002 edition

^v State of Wisconsin Blue Book, p. 165-66, 1993-94 edition

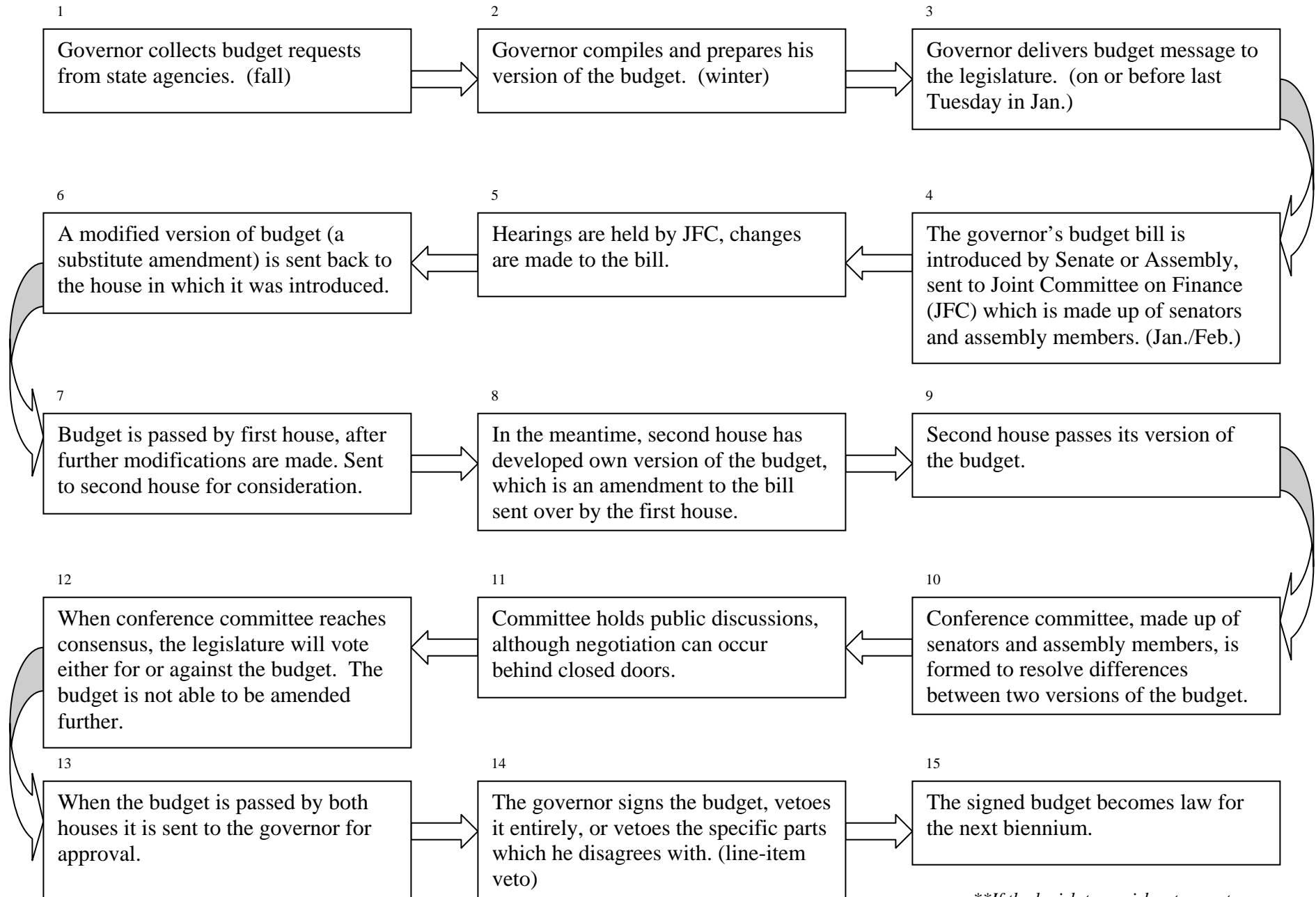
^{vi} State of Wisconsin Blue Book, p. 265, 2002 edition

^{vii} State of Wisconsin Blue Book, p. 282, 2002 edition

^{viii} State of Wisconsin Blue Book, p. 323, 2002 edition

^{ix} State of Wisconsin Blue Book, p. 247, 2002 edition

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If the legislature wishes to overturn a governor's veto, a two-thirds vote is required in each house