**Fiscal Facts: Who Will Decide How Federal Funds Are Spent?**

Next week, voters will decide whether to limit the authority of Wisconsin governors to spend federal funds and give greater authority over them to the Legislature. The changes could affect how the state spends billions of dollars in federal aid each year for roads, the environment, health care, and emergency and disaster response.

On Aug. 13, Wisconsin’s voters will be asked whether the state’s constitution should be amended to limit the ability of Gov. Tony Evers and his successors to allocate federal funds, and instead require additional action by the Legislature before those funds can be spent.

Wisconsin legislators say they advanced these amendments in response to Evers’ role in allocating tens of billions in federal pandemic relief funding -- much of which was passed on to private employers, municipalities, counties, and school districts.

Billions passed through programs such as unemployment insurance and Medicaid, with strict requirements on how they were used. But more than $4.4 billion went directly to the state through funds over which Evers had far broader discretion.

The ballot questions read as follows:

**Question One:** “Delegation of appropriation power. Shall Section 35 (1) of Article IV of the Constitution be created to provide that the Legislature may not delegate its sole power to determine how moneys shall be appropriated?”

**Question Two:** “Allocation of federal moneys. Shall Section 35 (2) of Article IV of the Constitution be created to prohibit the governor from allocating any federal moneys the governor accepts on behalf of the state without the approval of the Legislature by joint resolution or as provided by legislative rule?”

At the most basic level, approving these two questions would require that lawmakers take action before the state allocates federal funds. The second question also would require that the Legislature act to approve allocations of federal monies not through the passage of a bill, but through a joint resolution or legislative rule that does not require the governor’s signature.

Because of the broad language included in the amendment, it likely will impact far more than just cases of emergency influxes of federal funds that are similar to the pandemic. The full impact of the amendments will be highly dependent on how they are interpreted by the Legislature and the courts.

Amendment supporters raise the question of whether one executive should decide how billions in federal aid are spent. If approved, the amendments might also affect the state's more routine approval and use of federal funds. They also could slow the deployment of federal aid in an emergency or disaster scenario.

Because of the broad nature of the language included in the amendments, their ultimate impact on the state’s allocation of federal funds is uncertain. Nevertheless, these questions could have significant consequences for the state in the years to come.

*This information is a service of the Wisconsin Policy Forum, the state’s leading resource for nonpartisan state and local government research and civic education. Learn more at* [*wispolicyforum.org*](https://wispolicyforum.org/research/state-tax-burden-up-but-overall-burden-still-falling/)*.*