

1995-96 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ 95hrJC-Fi_Misc_pt38

➤ Record of Comm. Proceedings ... RCP

➤ **

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

119 Martin Luther King Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

119 Martin Luther King Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

January 22, 1996

Secretary Charles Thompson
Department of Transportation
4802 Sheboygan Avenue
Madison, WI

Dear Secretary Thompson:

This is to inform you that the members of the Joint Committee on Finance have reviewed the Department's recommendations under section 9155(3) of 1995 Act 113 for reallocating budget reductions among the Department's SEG appropriations.

No objections to these recommendations have been raised. Accordingly, the funding reallocations are approved.

Sincerely,

Handwritten signature of Tim Weeden in cursive.

TIM WEEDEN
Senate Chair

Handwritten signature of Ben Brancel in cursive.

BEN BRANCEL
Assembly Chair

TW:BB:dr

cc: Members, Joint Committee on Finance
Bob Lang

STATE OF WISCONSIN

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JOINT COMMITTEE ON FINANCE

January 2, 1996

TO: Members
Joint Committee on Finance

FROM: Timothy Weeden, Senate Chair
Ben Brancel, Assembly Chair

SUBJECT: Review of Requests Submitted by the Department of Transportation

Our offices have received three requests from the Department of Transportation (DOT), as required by 1995 Act 113. Copies of these requests are attached for your review.

Request for Federal Appropriation Adjustments

SECTION 9155(2u) of Act 113 required DOT to submit a request for adjustments to its federal aid appropriations within 30 days of the effective date of the applicable federal legislation for 1995-96. In its request, DOT has asked that the federal appropriation for major highway development be increased by \$11,200,000 for 1995-96.

Act 113 specifies that this adjustment cannot be implemented without the approval of the Joint Committee on Finance. We will notify you at a later date of our plans for the Committee's action regarding this request.

Request for Reallocation of Budget Reductions

SECTION 9155(3) of Act 113 required DOT to submit its recommendations for any reallocation of budget reductions made by the Act by January 1, 1996. In its request, DOT has recommended a series of adjustments, affecting 11 SEG appropriations. DOT also indicated that the Department will provide an itemized list by January 3 of how DOT proposes to implement the entire budget reduction. Act 113 specifies that these recommendations shall be implemented

*DOT letters
14 day review
to go out
JB writing
letter. Monday
1-18-96
Deadline*

Members, Joint Committee on Finance
Page 2

if the Joint Committee on Finance does not schedule a meeting to review the recommendations within 14 working days.

Please review this item (and the subsequent itemization) and notify our offices by January 18 if you have any concerns about the request or would like the Committee to meet formally to consider it.

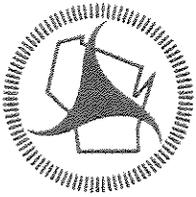
Certification of Estimated Transportation Fund Revenues

SECTION 9155(3g) of Act 113 required DOT to certify the Department's estimate of 1995-96 and 1996-97 transportation fund revenues by January 1, 1996. In its certification, DOT requests that the state trunk highway rehabilitation appropriation be increased by \$12,925,700 SEG in 1995-96 and \$1,927,800 SEG in 1996-97 to reflect the Department's revenue reestimates. Act 113 specifies that these recommendations shall be implemented if the Joint Committee on Finance does not schedule a meeting to review the recommendations within 14 working days.

Please review this item and notify our offices by January 18 if you have any concerns about the request or would like the Committee to meet formally to consider it.

Please contact our offices if you have any questions or need further information about these requests.

Attachments



Wisconsin Department of Transportation

Tommy G. Thompson
Governor

Charles H. Thompson
Secretary

OFFICE OF THE SECRETARY
P. O. Box 7910
Madison, WI 53707-7910

January 3, 1996

The Honorable Timothy Weeden
Wisconsin State Senate
Room 37 South, State Capitol
P.O. Box 7882
Madison, Wisconsin 53707-7882

The Honorable Ben Brancel
Wisconsin State Assembly
119 Martin Luther King Jr Blvd., Rm LL4
P.O. Box 8952
Madison, Wisconsin 53708

Dear Senator Weeden and Representative Brancel:

In my letter to you dated January 1, 1996, requesting that the Committee approve transfers between appropriations under section 9155 of Act 113, I indicated to you that we would provide some additional information on January 3. Attached is the promised information, which is a list, by DOT division, of the specific reductions that were made to reach the \$32 million in total reductions included in Act 113. For each reduction, a brief description is included. This summary does not discuss the impacts of each of these reductions. The major impacts were explained in an information paper included with our January 1 request.

Our Office of Policy and Budget has contacted the Legislative Fiscal Bureau and will meet next week to discuss these reductions and transfers.

Please contact me or Jim McDonnell, Office of Policy and Budget, (608) 266-7575, if we can be of any further assistance.

Sincerely,


Charles H. Thompson
Secretary

CHT:jb
Attach.

cc: Members, Joint Committee on Finance
Governor's Office
Legislative Fiscal Bureau
State Budget Office, Department of Administration

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Reductions
FY96 **FY97**

DIVISION OF HIGHWAYS

1.	Efficiencies: Contract Change Order Savings	\$1,200,000	\$2,000,000
	Through efficient management, reduce the need for Design Consultant Contract Change Orders (CCO's) after design projects have begun.		
2.	Eliminate Division of Highways' Positions	\$3,635,857	\$3,635,857
	Delete 69.5 FTE positions within the division including 49.5 positions in the Improvement Program, 11.0 positions in Administration/Planning and 9.0 in Maintenance and Traffic.		
3.	Cut Supplies and Services Associated with Position Reduction	\$350,000	\$350,000
	Cut in supplies and services.		
4.	Reduce Consultant Use	\$2,873,443	\$2,396,643
	Proportionate reduction in the level of District and Central Office Consultant use to reflect the size of the program.		
	Total Division Reduction:	<u>\$8,059,300</u>	<u>\$8,382,500</u>

DIVISION OF MOTOR VEHICLES

1.	Process Reengineering/Efficiencies	\$789,100	\$1,599,100
	The division has evaluated a number of processes and will implement changes resulting in efficiencies and/or dollar savings. For example: title processing efficiency (\$192,100 in FY96 and \$384,200 in FY97), altering process for handling incomplete vehicle applications (\$349,300 in FY97) and limiting consumer complaint responses (\$317,100 in FY96 and 97). As a result, two bureaus will eliminate ten full time positions in FY96 and sixteen full time positions in FY97.		
2.	Permanent Salaries/Full Time Employees (FTEs)	\$837,900	\$ 628,800
	The division will eliminate eleven FTEs in FY96 and fourteen FTEs in FY97. Section chiefs, supervisors, program development staff and a technical position will be eliminated to mitigate the impacts on production. In addition, some position vacancies will be held open in FY96.		
3.	Supplies/Services and Permanent Property	\$986,800	\$ 950,200

<u>Reductions</u>	
<u>FY96</u>	<u>FY97</u>

Reductions in printing, in-state travel, maintenance costs for equipment, contractual services and other supplies and services will be reduced in the division's three bureaus.

4.	Limited Term Employees/Overtime	\$625,100	\$ 811,900
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Limited term employee and overtime budgets (used to offset seasonal and other workload increases) will be reduced across the division.

5.	Data Processing/Telephones	\$1,076,700	\$ 443,600
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Funding reductions due to data processing rate decreases and deferring the purchase of data processing equipment will occur across the division. Dedicated lines necessary for some of the division's data processing will be replaced with laptops using standard phone lines. No additional 800 telephone services will be provided.

6.	License Plates	\$366,900	\$ 348,100
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Delayed plate replacements for heavy trucks and personalized plates.

7.	Emission Inspection Program	\$179,200	\$ 80,000
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Funding for public information and covert auditing will be reduced to provide only those dollars necessary for consumer information on enhanced I/M 240 and compliance with federal regulations.

Total Division Reduction:	<u>\$4,861,700</u>	<u>\$4,861,700</u>
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DIVISION OF STATE PATROL

1.	Mobile Data Terminals	\$ 698,400	\$ 588,400
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Reduce funding for mobile data terminals, which are in-squad computer terminals allowing state troopers and local officers to utilize driver license, motor vehicle and criminal databases without a radio dispatcher's assistance. This will delay full implementation into the next biennium and beyond.

2.	Fleet	\$ 304,100	\$ 131,900
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Reduce trooper automobile budget.

3.	Position Reductions	\$ 181,800	\$ 181,800
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Eliminate 4.5 FTE management positions at state headquarters, in the Administrator's Office and the Bureau of Support Services.

		<u>Reductions</u>	
		<u>FY96</u>	<u>FY97</u>
4.	Data Processing	\$ 157,700	\$ 152,300
Decrease data processing funding to reflect lower DP rate charges.			
5.	Supplies & Services	\$ 82,800	\$ 77,200
Cut in-state travel, materials & supplies, telecommunications & postage, and contractual services, including the Division's annual report.			
Total Division Reduction:		<u>\$1,424,800</u>	<u>\$1,131,600</u>

DIVISION OF TRANSPORTATION ASSISTANCE

1.	Permanent Position Elimination	\$ 122,100	\$ 122,100
Elimination of two permanent management positions.			
2.	LTE Funding	\$ 20,300	\$ 37,500
LTE budgets will be reduced in the areas of aircraft registration, rail property management, the aviation careers education program, general administration and the bureau of transit and local aids.			
3.	Increased Use of Federal Funds	\$ 100,000	\$ 0
\$100,000 of the state funds reduction will result in no impact because of an ability to temporarily increase the extent to which costs of administering federal transit programs are supported by federal funds. This increase would utilize in FY 95-96 unspent amounts from federal grants for administrative purposes in prior years and will not result in a reduction in the level of federal funding budgeted for assistance to local governments.			
4.	Supplies & Services Funding	\$ 144,800	\$ 101,200
Printing, materials and supplies, and the purchase of contractual services will be reduced in the aeronautics, rail, and central administrative budgets.			
Total Division Reduction:		<u>\$ 387,200</u>	<u>\$ 260,800</u>

	<u>Reductions</u>	
	<u>FY96</u>	<u>FY97</u>

DIVISION OF BUSINESS MANAGEMENT

1.	Capital Budget	\$334,400	\$334,400
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The construction of three State Patrol radio towers would be cancelled. (This reduction, in combination with action taken by the Legislature during the budget process, eliminates the Department's entire minor building program request for 1995-97.)

2.	Transfers	\$280,000	\$280,000
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Responsibility for production of the state map is transferred to the Division of Highways (DOH) and cost is reduced from \$240,000 to \$60,000 annually in DOH, with map production to be "privatized." The contract with the Geodetic Advisor (\$40,000 annually) would also be transferred to DOH.

3.	Other Reductions	\$148,500	\$252,300
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The following activities would be reduced: a) summer affirmative action intern program (\$11,500 in FY96); b) minority engineering program (\$21,000 annually); c) audits of employe travel claims (\$38,700 annually and -1.0 position); d) training coordinator (\$46,300 annually and -1.0 position); and e) insurance costs, to reflect rate savings (\$31,000 in FY96 and \$146,300 in FY97).

4.	Equipment Purchases and Information Management	\$144,000	\$144,000
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Reduction in purchasing of data processing hardware by accounting and human resources (\$59,000 annually) and efficiencies in Information Management (\$85,000 annually and -2.0 positions).

5.	LTE Funding	\$117,200	\$20,000
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Limited term employe usage would be decreased in FY96 in all DBM functions -- accounting, information management, human resources and management services.

Total Division Reduction:	<u>\$1,024,100</u>	<u>\$1,030,700</u>
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DIVISION OF PLANNING

1.	Supplies and Services, Permanent Property, LTE Funding	\$189,200	\$157,800
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Reductions in supplies and services funding (utilization of mainframe data processing services,

	<u>Reductions</u>	
	<u>FY96</u>	<u>FY97</u>

contractual services, employe travel, other material and supply purchases), permanent property purchases and LTE funding in the division's two bureaus.

2.	Matching Funds	\$78,000	\$78,000
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Matching state funds for Metropolitan Planning Organizations would be reduced by 5% and matching state funds for a federal grant which was not approved by the federal government would be eliminated.

3.	Positions	\$52,600	\$52,600
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A permanent planning supervisor position would be eliminated.

Total Division Reduction:	<u>\$319,800</u>	<u>\$288,400</u>
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EXECUTIVE OFFICES

1.	Transportation Safety Program	\$36,900	\$57,400
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Reduce size of public information program related to effects of alcohol on driving motor vehicles.

2.	Participation in State Fair	\$25,500	\$25,500
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The DOT display at the State Fair is eliminated.

3.	Reduction in Legal Services	\$35,000	\$35,000
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The utilization of DOJ legal services would be decreased by 10% each year.

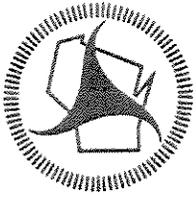
4.	LTE Funding	\$17,500	\$17,000
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LTE usage in the Office of Public Affairs and the Office of Policy and Budget would be decreased.

Total Division Reduction:	<u>\$114,900</u>	<u>\$134,900</u>
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**Attachment
Department of Transportation
Summary of Reductions in State Operations**

	Base		Act 113 Reduction from Base		Requested Reallocations		New Total	
	FY 96	FY 97	FY 96	FY 97	FY 96	FY 97	FY 96	FY 97
<u>Transportation Assistance</u>	4,319,700		(316,100)	(316,100)	(71,100)	55,300	(387,200)	(260,800)
			(7,928,200)	(7,928,200)	(131,100)	(454,300)	(8,059,300)	(8,382,500)
<u>Highways</u>	120,084,900		(4,793,400)	(4,793,400)	(68,300)	(68,300)	(4,861,700)	(4,861,700)
<u>Motor Vehicles</u>	71,812,200		(1,381,700)	(1,381,700)	(43,100)	250,100	(1,424,800)	(1,131,600)
<u>State Patrol</u>	38,168,600		(1,308,900)	(1,308,900)	284,800	278,200	(1,024,100)	(1,030,700)
<u>Business Management</u>	33,437,400		(298,300)	(298,300)	(21,500)	9,900	(319,800)	(288,400)
<u>Planning</u>	3,435,200		(114,600)	(114,600)	(300)	(20,300)	(114,900)	(134,900)
<u>Executive Offices</u>	4,415,300							
<u>TOTALS</u>	275,673,300		(16,141,200)	(16,141,200)	(50,600)	50,600	(16,191,800)	(16,090,600)
							0	(32,282,400)



12-29-95

Wisconsin Department of Transportation

Tommy G. Thompson
Governor

Charles H. Thompson
Secretary

OFFICE OF THE SECRETARY
P. O. Box 7910
Madison, WI 53707-7910

January 1, 1996

The Honorable Timothy Weeden
Wisconsin State Senate
Room 119 South, State Capitol
P.O. Box 7882
Madison, Wisconsin 53707-7882

The Honorable Ben Brancel
Wisconsin State Assembly
Room 107 South, State Capitol
P.O. Box 8952
Madison, Wisconsin 53707-8952

Dear Senator Weeden and Representative Brancel:

Request

Section 9155 (2u) of 1995 Act 113 requires the Department of Transportation to submit to the Joint Committee on Finance a plan identifying how the Department proposes to adjust its appropriations for state fiscal year 1995-96 to reflect established federal funding levels. Section 9155 (2u) also provides that changes to federal appropriations may not be implemented until the Joint Finance Committee approves the modification.

Under section 9155 (2u), the Department requests that the federal appropriation for major highway development [s. 395 (3) (bx)] be increased by \$11.2 million, to reflect federal aid levels which exceed the amounts estimated in 1995 Act 113.

Background

The President has recently signed both the transportation appropriations bill and separate National Highway System legislation. Following those acts, the Federal Highway Administration (FHWA) has provided each state with estimates of the amount of federal funding available for federal fiscal year 1996. The FHWA estimates indicate that Wisconsin is eligible to receive \$331.2 million in federal funds in FFY 1996, under the Intermodal Surface Transportation Efficiency Act (ISTEA). Act 113 appropriations were based on an estimate of \$320 million.

The Department proposes to increase the major highway development appropriation by \$11,200,000 to reflect this new estimate. As you know, the Governor vetoed additional bond funding for major highways, which reduced state fiscal year 1996-97 funding by \$20,000,000. However, the purposes of the major highways program remain important. Consequently, the Department recommends that the \$11,200,000 increase in estimated federal revenues be used to increase the majors program. The major highway development federal appropriation would be increased from \$39,430,400 to \$50,630,400 in state fiscal year 1995-96.

Use of the additional federal funds for the major highway development program is designated because this program received reductions in Act 113. Table I below shows the funding provided in the 1995-97 biennium compared to 1994-95 base levels. As the table indicates, the majors program is decreased by 4.5% in Act 113.

TABLE I
Majors Highway Development Program
By Funding Source
Act 113, Change to Base

	Base	Act 113	
		Funding	Percent Change
Bonding	\$ 93,081,700	\$108,534,800	
Federal Funding	61,738,400	39,430,400	
State Segregated Funds	6,837,300	6,389,700	
	\$161,657,400	\$154,354,900	-4.5%

That decrease is even larger if the increase provided for acceleration of State Trunk Highway 29 (\$15,453,100) is not included. Table II indicates that if funding for the STH 29 acceleration is excluded, funding decreases by 14.1% in this fiscal year. Providing the additional federal funds to the majors program alleviates a portion of this decrease. Acceleration of STH 29 aside, the program would be decreased by 7.1%.

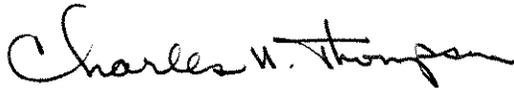
TABLE II
Majors Highway Development Program
STH 29 Acceleration Not Included

	Act 113		Additional Federal Funds	
	Funding	Percent Change	Funding	Percent Change
Bonding	\$93,081,700		\$93,081,700	
Federal Funding	39,430,400		50,630,400	
State Segregated Funds	6,389,700		6,389,700	
	\$138,901,800	-14.1%	\$150,101,800	-7.1%

Senator Weeden and
Representative Brancel
January 1, 1996
Page 3

Thank you for your consideration. Please contact Jim McDonnell, Office of Policy and Budget,
(608) 266-7575, if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Charles H. Thompson".

Charles H. Thompson
Secretary

CHT:jb
Attach.

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12-29-95



Wisconsin Department of Transportation

Tommy G. Thompson
Governor

Charles H. Thompson
Secretary

OFFICE OF THE SECRETARY
P. O. Box 7910
Madison, WI 53707-7910

January 1, 1996

The Honorable Timothy Weeden
Wisconsin State Senate
Room 119 South, State Capitol
P.O. Box 7882
Madison, Wisconsin 53707-7882

The Honorable Ben Brancel
Wisconsin State Assembly
Room 107 South, State Capitol
P.O. Box 8952
Madison, Wisconsin 53707-8952

Dear Senator Weeden and Representative Brancel:

Request for JCF Action

Section 9155(3g) of Act 113 requires the Department of Transportation to certify to the Joint Committee on Finance (JCF) the total amount of estimated segregated Transportation Fund revenues for each year of the biennium. The Act provides that any estimated revenues above the stated amounts are to be credited to the appropriation account under Section 20.395(3)(cq).

Under the provisions of Section 9155 (3g), the Department requests that the State Highway Rehabilitation program be increased by \$12,925,700 in fiscal year 1995-96 and by \$1,927,800 in fiscal year 1996-97 to reflect net increased revenues.

Background -- Revenue Increases

The Department's certification results from four factors that have arisen since passage of the transportation budget by the Legislature. These are summarized in the table below. The four factors are:

1. The Governor's veto of a property tax exemption for railroad rolling stock;
2. The Governor's veto of a portion of the level of transportation revenue bonds authorized in the bill. This results in a reduction in the amount of motor vehicle registration fees that will be used for debt service and a corresponding increase in the net proceeds that will be deposited in the Transportation Fund;
3. The deposit to the Transportation Fund of a portion of railroad utility taxes relating to the years 1989-93 which is the subject of litigation. As the result of a series of legal decisions favorable to the state, railroads began in mid November

to pay the amounts under dispute in order to avoid interest accruing pending final resolution of the legal disputes. DOT's certification also assumes that the bulk of these back taxes that have not yet been paid will be received in FY 96.

4. A recent deposit to the Transportation Fund, transmitted by the Department of Revenue(DOR), resulting from payment of a 1990-91 railroad utility valuation assessment which is also the subject of litigation.

The changes from Act 113 revenues amounts are as follows:

	FY 95-96	FY 96-97
Act 113 Revenues	\$974,283,800	\$981,099,800
Railroad Utility Tax	\$ 13,973,000	
Railroad Valuation Assessment	\$1,478,600	
Debt Service Reduction Resulting From Veto		\$ 427,800
Veto of Railroad Tax Exemption		\$ 1,500,000
New Revenue Total	\$989,735,400	\$983,027,600

The largest component of this additional revenue certification is \$13,973,000 in railroad utility taxes reflecting payment of taxes assessed in 1994 for the years 1989 through 1993. Previously the assessments for those years were reduced to reflect the exclusion of a portion of railroad personal property because of a legal challenge. These amounts were assessed because a 1994 U.S. Supreme Court decision provided support for a return to enforcing the full-value standard provided by Wisconsin law.

A portion of the railroad revenues paid into the Transportation Fund is required under s.76.24 to be distributed to local units of government (referred to as the terminal tax distribution). During the years in which the assessments for railroads were reduced, DOR also reduced the portion of the assessment related to the terminal property by the same factor it used for the overall assessment on the railroads. As a result, \$2,525,878 of the back railroad taxes reflected in this re-estimate is attributable to taxes that would otherwise have been paid to local governments for those years.

The cases have not reached a final resolution and a resolution unfavorable to the state would mean that these revenues would have to be repaid. Final resolution may be three years away. Legal Counsel advises that there is a substantial possibility of the state prevailing in these cases.

Based on this advice, the revenue is being utilized for the authorized purposes. Local governments would also be required to repay their share of the disputed amounts. In distributing this funding to local governments, DOT will attempt to ensure that they understand this possibility. In addition, interest on the back taxes of \$3.63 million has been or will be collected from the railroads. The interest disposition between the General and Transportation Fund is being reviewed. An updated certification will be provided if it is determined during the Joint Finance review period that the interest should be credited to the Transportation Fund.

The terminal tax distribution is made through a sum-sufficient appropriation from the transportation fund under s.20.855 (4) (q). If the sum-sufficient is re-estimated to reflect the increase of \$2,525,878 while simultaneously crediting the appropriation for state highway rehabilitation by the full amount of this revenue certification, an imbalance in the transportation fund would result. Consequently, DOT requests that the committee supplement the rehabilitation appropriation for FY 96 by only \$12,925,700--which is the net increase in funds available for appropriation after reflecting the increase in the sum-sufficient appropriation for the terminal tax distribution.

Background -- Rehabilitation Appropriation

The current status of the state highway rehabilitation program is shown in Table I. Table II shows the status after the proposed JCF action. The change in segregated revenue level would nearly restore the rehabilitation program close to base levels.

**TABLE I
 STATE HIGHWAY REHABILITATION PROGRAM
 BY FUNDING SOURCE
 ACT 113**

	BASE	1995-96	1996-97
SEG	\$208,103,700	\$192,932,000	\$203,212,100
SEG-LOCAL	2,000,000	2,000,000	2,000,000
FEDERAL	183,580,100	182,993,300	183,088,600
TOTAL	\$393,683,800	\$377,925,300	\$388,300,700
% CHANGE		-4.0%	-1.4%

Senator Weeden and
Representative Brancel
January 1, 1996
Page 4

**TABLE II
STATE HIGHWAY REHABILITATION
BY FUNDING SOURCE
PROPOSED CHANGES TO ACT 113**

	BASE	1995-96	1996-97
SEG	\$208,103,700	\$205,857,700	\$205,139,900
SEG-LOCAL	2,000,000	2,000,000	2,000,000
FEDERAL	183,580,100	182,993,300	183,088,600
TOTAL	\$393,683,800	\$390,851,000	\$390,228,500
% CHANGE		-0.7%	-0.9%

Thank you for your consideration. Please contact Jim McDonnell, Director of the Office of Policy and Budget, (608) 266-7575, if you have any questions.

Sincerely,

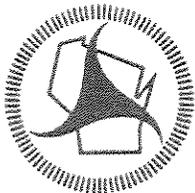


Charles H. Thompson
Secretary

CHT:jb

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12-29-95



Wisconsin Department of Transportation

Tommy G. Thompson
Governor

Charles H. Thompson
Secretary

OFFICE OF THE SECRETARY
P. O. Box 7910
Madison, WI 53707-7910

January 1, 1996

The Honorable Timothy Weeden
Wisconsin State Senate
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The Honorable Ben Brancel
Wisconsin State Assembly
Room 107 South, State Capitol
P.O. Box 8952
Madison, Wisconsin 53707-7882

Dear Senator Weeden and Representative Brancel:

Request

Under Section 9155 of 1995 Wisconsin Act 113 the Department of Transportation is required to submit to the Joint Committee on Finance any recommendations for reallocation of reductions resulting from budgetary efficiency measures enacted by the legislature in the 1995-97 biennial budget. These recommendations are due to the committee by January 1, 1996.

The Department requests transfers between appropriations (as listed in Attachment A) and transfers and reductions in position levels (as listed in Attachment B) in order to implement the overall approved funding levels provided in 1995 Act 113.

Fundamentally, the Department has approached the required budget reductions of \$32 million by minimizing wherever possible, impacts on the public. However, implementation of reductions of this magnitude goes well beyond the Department's on-going efforts to improve efficiency. These reductions will have some unavoidable impacts on DOT customers.

The attached paper discusses the most significant implementation impacts of the Legislature's adopted reductions.

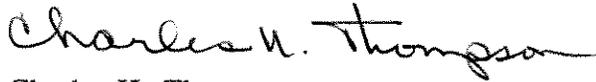
In preliminary discussions with you regarding this Joint Finance approval, you asked for additional information regarding the specific reductions needed to implement the total of \$32 million in reductions required by Act 113. DOT staff are in the process of preparing an itemized list of these reductions, including brief descriptions. Although we cannot complete this task in time to include with the formal January 1 submission, I will forward that information to you and the full Committee by the end of the day on Wednesday, January 3.

January 1, 1996

Page Two

Because we have completed almost one-half of the current fiscal year, the Committee's prompt approval of these recommendations will be appreciated. Please contact Jim McDonnell, Office of Policy and Budget, (608) 266-7575, if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Charles H. Thompson". The signature is written in black ink and is positioned above the typed name.

Charles H. Thompson
Secretary

CHT:jb
Attach.

WISCONSIN DEPARTMENT OF TRANSPORTATION

Budget Reduction Reallocation Highlights
Prepared for the Joint Committee on Finance
January 1, 1996

Background

In recent years the Department of Transportation has dedicated time and resources to developing more efficient ways of doing business. These efficiencies have produced results in two areas: (1) increased our ability to meet expanding workload without significant additional personnel; and (2) increased program outputs without requiring new revenues.

For example, the Division of Motor Vehicles has experienced dramatic growth in the products it issues and associated workload. Over the past fifteen years there has been a 30% (almost 1 million) increase in annual vehicle registrations. In the last decade alone, there has been a 26% (almost a quarter of a million) increase in operator's licenses issued annually. In revocations and suspensions, a workload of only 67,800 in 1980 increased to 125,500 in 1984 and 299,600 in 1994. Automation and process re-engineering have enabled us to meet that increased workload without an accompanying increase in authorized positions.

Likewise, the Division of Highways has utilized improved production methods and automation to reduce costs for engineering, staff support costs, overtime, contract amendments, billing and contract payments, design consultants and project survey crews. These changes, producing savings of almost \$5 million in FY 94 and over \$10 million in FY 95, combined with other initiatives to produce major reinvestments in the highway construction program that contributed to surpassing the anticipated construction program of \$400 million by \$6 million in FY 94 and \$17 million in FY 95.

These efforts, combined with many efforts throughout the Department on a smaller scale, have enabled DOT to address increased demands for products and services despite the fact our work force has grown by only 3.3% (131 authorized positions) for the fifteen year period ending in 1994-95 -- while authorized positions across all state agencies grew by 15.5% for the same period.

With these efforts in mind, the following items represent significant elements in the departments reduction plan.

Highlighted Elements

- DOT will continue to utilize a variety of strategies to maximize service delivery in the face of reduced operating budgets. Process re-engineering, reductions in management positions and other efficiencies will be used wherever possible to minimize the impacts on the public. Examples include:
 - ✓ privatization of the state highway map
 - ✓ reductions of central office support positions in the State Patrol
 - ✓ process re-engineering in Motor Vehicles to provide faster on-line

DOT Reduction Reallocation Plan

Page 2

registration and more efficient title processing by field staff

- ✓ reductions in contractual services, materials and supplies
- ✓ continued reductions in the amount of administrative and overhead costs required to deliver the state highway program
- Implementing a \$32 million reduction in DOT operating budgets will require additional position reductions. The Legislature included a reduction of 98 permanent authorized positions as part of its efficiencies. The Department's plan is designed to produce a sustainable reduction in the agency's operating budget, and will include 111.0 FTE permanent positions necessary to reach the required targets.
- In addition to process re-engineering in registration, driver and title transactions, the Division of Motor Vehicles will implement a number of changes that will be invisible to its customers. Permanent position cuts will be taken in management positions wherever possible. Overtime and LTE budgets will be significantly reduced (by as much as half) to minimize the impact on permanent production staff in the field and at the central office. However, even with additional efficiencies, there will be impacts on levels of service. For example, the backlog for processing motor vehicle titles may grow from 6 weeks in FY 95 to 11 weeks in FY 96 and 17 weeks in FY 97. Backlogs for processing of revocations and suspensions, currently at approximately six weeks, may grow to approximately 10 weeks. Customers that currently wait on average no more than fifteen minutes to complete a transaction, may wait longer after the reduced operating budgets are implemented.
- In making the required changes within the Division of Motor Vehicles, no part-time customer service locations will be closed. This is an alternative which has been considered since November 1994, when the Department of Administration requested agencies to prepare budget reduction options. Since that time, various means have been identified to reduce costs of the part-time stations. Some of these changes, such as improved computer equipment to reduce the need for dedicated phone lines, and the streamlining of driver tests, will not reduce customer service. Other changes, such as reduced days or hours at some part-time stations will have to be considered in the coming months. In reviewing these options, every effort will be made to minimize customer impacts. However, the total effect of \$5 million per year in reductions to motor vehicle services will have to be continuously monitored; services provided at part-time stations may well have to be reconsidered as part of the next biennial budget process.

- Efficiencies will also be applied to the Vehicle Inspection Maintenance program in the areas of public information and covert audit. The public information funding will be reduced by \$80,000 to provide only the resources necessary for consumer information on the enhanced I/M 240 program. The reduction in funding for covert audit maintains funding necessary to implement a covert audit program in compliance with federal regulations, without exceeding the needs of Wisconsin's established centralized testing system.
- The Division of State Patrol will implement a variety of changes to address their reduced operating budget. In addition to reductions in central office support staff and supplies/services (contractual services, data processing, etc.), funding for mobile data terminals will be reduced by \$698,400 in FY 96 and \$588,400 in FY 97, which will significantly delay implementation of the MDT system. Even with these reductions, DSP's proportionate share of budget efficiencies could not be achieved without compromising the complement of sworn officers. In order to maintain the recruit cadet class, additional reductions of \$250,100 will be made in other areas of the department. This will allow the Patrol to maintain a status quo complement of officers in the field.
- In considering the Division of State Patrol reductions, it is important to note that the Department of Employee Relations is currently doing a survey of police communications operators (PCO's) and may shortly recommend that the pay of these employees be increased. If that recommendation is made, it is possible that State Patrol salary and fringe costs would increase by approximately \$160,000 in FY 96 and \$350,000 in FY 97. Although the amount in FY 96 can be absorbed, the ability to cover the full-year amount in FY 97 could be more difficult. The Department will re-address the issue during FY 97. At that time, it may be necessary to ask the Committee to approve an additional transfer in order to avoid reducing patrol and inspection efforts.
- The Division of Highways will continue to build on the production improvements and efficiencies developed to date. Highway engineering is a joint public/private effort with productivity gains generated by both sectors. The DOH efficiencies reduce state staff and consultant costs through: (1) improved project management controls; (2) streamlined production methods; and (3) automated support processes. State staff will be reduced by 69.5 FTE and approximately \$4 million in each year of the biennium. Consultant use will be reduced by \$2.9 million in FY 96 and \$2.5 million in FY 97. Additional savings will be generated by reducing contract change orders (CCOs) by \$1.2 million in FY 96 and \$2.0 million in FY 97. The reduced levels are consistent with projected design activity required to meet the construction activity funded by the budget -- \$405 million in FY 96 and \$415 million in FY 97.

DOT Reduction Reallocation Plan

Page 4

- The state map is produced on a two year cycle with an average of about 2,000,000 printed per year. We are in the middle of a two year cycle. In 1995, of the 2,000,000 printed, about 420,000 were provided to legislators. In 1996, the Department will print only 230,000 maps, which will save \$180,000 in state funds. Starting in 1997, the map will be privatized, with a goal of again producing 2,000,000 maps per year but without an increase in state funding.
- Some minor transfers will be required to implement the department's plan and align funding between appropriations and fiscal years.

w:\budget\tksjfc

Attachment A
 Department of Transportation
 Required Transfers Between Appropriations/Fiscal Years
 Resulting from Budget Efficiency Reductions
 1995-97 Biennial Budget - State Funds

DOT PROGRAMS	DOT APROP.	APPROPRIATION TITLES	FY96	FY97	TOTAL
Local Transportation Assistance	2bq	Rail Service Assistance -- Admin.	(\$8,200)	(\$4,200)	(\$12,400)
	2dq	Aeronautics Assistance	(12,700)	18,000	5,300
	2mq	Local Assistance Administration	(50,200)	41,500	(8,700)
		Subtotal	(71,100)	55,300	(15,800)
State Highway Facilities	3cq	State Highway Rehabilitation	(753,100)	(1,076,300)	(1,829,400)
	3eq	Highway Maintenance	700,600	700,600	1,401,200
	3iq	Highways Administration	(78,600)	(78,600)	(157,200)
		Subtotal	(131,100)	(454,300)	(585,400)
General Transportation Operations	4aq	Management and Operations	584,200	589,000	1,173,200
	4ar	Minor Construction Projects	(321,200)	(321,200)	(642,400)
		Subtotal	263,000	267,800	530,800
Motor Vehicle Serv. and Enforcement	5cq	Motor Vehicles Operations	110,900	11,700	122,600
	5dq	State Patrol Operations	(43,100)	250,100	207,000
	5hq	Emission Inspection contract costs	(179,200)	(80,000)	(259,200)
		Subtotal	(111,400)	181,800	70,400
Department Totals		(\$50,600)	\$50,600	\$0	

Attachment B
 Department of Transportation
 Position Reductions
 1995-97 Biennial Budget

28 - Dec - 95

DOT APPROP.	FUND	APPROPRIATION TITLE	FY96			FY97		
			Act 113	Changes	Final	Act 113	Changes	Final
2dq	Seg	Aeronautics Assistance	(1,000)	0.000	(1,000)	(1,000)	0.000	(1,000)
2mq	Seg	Local Assistance Administration	(1,000)	0.000	(1,000)	(1,000)	0.000	(1,000)
		Subtotal - Local Transportation Assistance	(2,000)	0.000	(2,000)	(2,000)	0.000	(2,000)
3iq	Seg	Highways Administration	(4,500)	(5,500)	(10,000)	(4,500)	(5,500)	(10,000)
3ix	Fed	Highway Administration	0.000	(1,000)	(1,000)	0.000	(1,000)	(1,000)
9qh	Seg	Highways Clearing Acct.	(29,250)	4,275	(24,975)	(29,250)	4,275	(24,975)
9qj	Fed	Highways Clearing Acct.	(35,750)	2,225	(33,525)	(35,750)	2,225	(33,525)
		Subtotal - State Highway Facilities	(69,500)	0.000	(69,500)	(69,500)	0.000	(69,500)
4aq	Seg	DOT Management and Operations	(5,000)	0.000	(5,000)	(5,000)	0.000	(5,000)
		Subtotal - General Transportation Operations	(5,000)	0.000	(5,000)	(5,000)	0.000	(5,000)
5cq	Seg	Motor Vehicles Operations	(17,500)	(3,500)	(21,000)	(17,500)	(12,500)	(30,000)
5dq	Seg	State Patrol Operations	(4,000)	(0,500)	(4,500)	(4,000)	(0,500)	(4,500)
		Subtotal - Motor Vehicles & Enforcement	(21,500)	(4,000)	(25,500)	(21,500)	(13,000)	(34,500)
Department Totals			(98,000)	(4,000)	(102,000)	(98,000)	(13,000)	(111,000)

w:\budget\john\poselim.wk1

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

119 Martin Luther King Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

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P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

January 4, 1996

Mr. Michael Sullivan, Secretary
Department of Corrections
149 E. Wilson Street
P.O. Box 7925
Madison, WI 53707-7925

Mr. James Klauser, Secretary
Department of Administration
101 East Wilson Street
P.O. Box 7864
Madison, WI 53707-7864

1-11-96
approved
no responses received

Dear Secretary Sullivan and Secretary Klauser:

On December 13, 1995, the Department of Corrections submitted a report to the Joint Committee on Finance, under a 14-day passive review process, regarding the distribution of a required \$1.7 million GPR cost reduction in 1996-97. The report indicated that the proposed reductions were temporary for 1996-97, and that equivalent permanent reductions would be taken in the 1997-99 biennial budget. The report is approved, with the following two exceptions.

- The report indicates that \$905,400 of the reduction would be associated with a hiring freeze on 20.5 positions. However, no position reductions are recommended by DOC. The budget requires Corrections to recommend an allocation of the reduction and "how many positions should be abolished." This provision was inserted in Act 27 in lieu of the Governor's recommendation to eliminate 60.0 positions in guard towers. It is the intention of the Committee, consistent with Act 27, that actual position reductions occur. As a result, the Department's recommendation will be modified to eliminate 20.5 GPR positions from appropriation s. 20.410 (1)(a) in 1996-97.

Secretary Michael Sullivan
Secretary James R. Klauser
January 4, 1996
Page 2

- It is our understanding that when the 1997-99 biennial budget is submitted, any adjustments to the permanent \$1.7 million reduction will be separately identifiable. That is, the funding and positions will not be restored either through base or standard budget adjustments.

The Committee will consider the request modified to conform with this letter, unless we receive notification from either of you by January 11, 1996 that you want a meeting scheduled to review this request.



BEN BRANCEL
Assembly Chair

Sincerely,



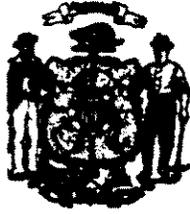
TIM WEEDEN
Senate Chair

BB/TW/kc

cc: Members, Joint Committee on Finance

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN



ASSEMBLY CHAIR
BEN BRANCEL

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

TO: Joint Finance Committee Members

FROM: Representative Ben Brancel
Senator Tim Weeden
Co-Chairs, Joint Committee on Finance

RE: 14 Day Passive Review

Attached you will find a report from the Department of Corrections dated December 8, 1995, but which we received in our offices on December 13, 1995. We will treat the report as we do other 14 day passive reviews.

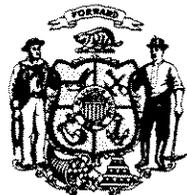
The report will be approved on January 4, 1996 unless you notify either Representative Brancel's office or Senator Weeden's office not later than January 4, 1996 that you would like the committee to meet formally to consider the report.

As always, please contact us if you have any questions.

BB:TW:kc

Tommy G. Thompson
Governor

Michael J. Sullivan
Secretary



Mailing Address
149 East Wilson Street
Post Office Box 7925
Madison, WI 53707-7925
Telephone (608) 266-2471

State of Wisconsin Department of Corrections

December 8, 1995

Senator Timothy Weeden
Co-Chair
Joint Committee on Finance
Room 115 S
State Capitol
Madison, WI 53708

Representative Ben Brancel
Co-Chair
Joint Committee on Finance
Room 107 S
State Capitol
Madison, WI 53708

Dear Senator Weeden and Rep. Brancel:

Re: DOC Reduction of \$1.7 million

The 95-97 biennial budget (Act 27) provides that the Department of Corrections reduce its budget by \$1.7 million in FY 97 and submit a plan to the Joint Committee on Finance by January 1, 1996 where the cuts will be made.

The Department of Corrections is working with the Department of Administration, Division of Facilities Development to establish a project to develop recommendations for the future utilization of institution towers and identify potential alternatives to the use of towers.

The scope of the project would include the following:

- Conduct a functional assessment of all existing towers at CCI, DCI, FLCI, GBCI, KMCI, OSCI, RCI and WCI
- Identify state of the art technology, physical plant and staffing alternatives to functions traditionally performed via staffed towers
- Identify short and long term costs associated with those alternatives
- Develop a recommended plan for the most cost effective means of maintaining institution security using selective tower staffing, physical plant changes, alternative

staffing or technology, or any combination of the above

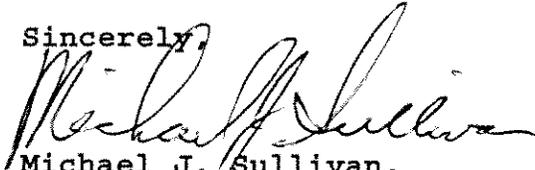
- Suggest implementation strategies and phasing of identified recommendations.

It is my opinion that the best case scenario would provide for one or more consultants that bring both institution security expertise and knowledge of state of the art physical plant and technology matters.

I well realize that this study cannot be accomplished and alternative measures implemented prior to July 1, 1996. Therefore, the Department proposes to take temporary actions to reduce its expenditures in FY 97 to meet the requirements of Act 27 by implementing the attached plan. This proposal would be for FY 97 only and all items on the plan would be restored when the alternative to tower reduction is in place. I would anticipate that this study could be completed and the Department could provide the Joint Committee on Finance with a report by September 1, 1996.

Your approval of this proposal would be greatly appreciated. If you have any questions please do not hesitate to contact me.

Sincerely,



Michael J. Sullivan,
Secretary

cc: Members, Joint Committee on Finance
Ken Sondalle, DAI Administrator
Marty Beil, Executive Director, AFSCME Council 24

TEMPORARY PROPOSALS TO MEET \$1.7 IN FY 97

08-Dec-95

SELECTED HIRING FREEZE OF NON-OVERTIME GENERATING POSITIONS (NO OFFICERS, FOOD SERVICE, POWER PLANT) (20.50 POSITIONS FOR ENTIRE YEAR) AVERAGE SALARY \$32,000	\$656,000 SALARY \$249,411 FRINGE <hr style="border: none; border-top: 1px solid black;"/> \$905,411
--	--

\$.02 PER MEAL FOR FOOD EQUIPMENT	\$249,400
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FREEZE .90 FRACTIONATED OFFICER POSITION	\$17,164 SALARY \$7,658 FRINGE <hr style="border: none; border-top: 1px solid black;"/> \$24,822
--	--

*

More info

ONE YEAR MORATORIUM ON WEAPONS REQUALIFICATION (EXCLUDING TOWER POSITIONS AND RELIEF)	\$7,245 SALARY \$3,233 FRINGE \$36,294 OVERTIME \$8,057 FRINGE <hr style="border: none; border-top: 1px solid black;"/> \$54,829
---	--

WCI

DELAY STAFF FOR WCI FOR TWO WEEKS (BUDGETED FOR 2 WEEKS OF FY 97)	\$49,600
---	----------

GBCI

REDUCE NON-SALARY EXPENDITURES FOR FY 97	\$44,000
--	----------

TCI

ELIMINATE ALL LTE HIRES AT TCI FOR ONE YEAR	\$9,500 SALARY \$727 FRINGE <hr style="border: none; border-top: 1px solid black;"/> \$10,227
---	---

REDUCE NON-SALARY EXPENDITURES FOR FY 97	\$12,000
--	----------

FLCI

REDUCE NON-SALARY EXPENDITURES FOR FY 97	\$45,800
--	----------

CCI

ELIMINATE ALL LTE HIRES AT CCI FOR ONE YEAR	\$17,200 SALARY \$1,316 FRINGE <hr style="border: none; border-top: 1px solid black;"/> \$18,516
---	--

REDUCE NON-SALARY EXPENDITURES FOR FY 97	\$21,000
--	----------

KMCI

REDUCE SALARY, FRINGE AND NON-SALARY EXPENDITURES FOR FY 97	\$16,700 SALARY \$7,452 FRINGE \$24,000 S&S <hr/> \$48,152
--	---

OCI

ELIMINATE AFFIRMATIVE ACTION INTERN IN FY 97	\$5,200 SALARY \$398 FRINGE <hr/> \$5,598
---	---

REDUCE NON-SALARY EXPENDITURES FOR FY 97	\$25,000
---	----------

DCI

DELAY HIRING OF 1.00 FTE AT DCI UNTIL FY 98	\$25,981 SALARY \$9,878 FRINGE \$1,824 S & S <hr/> \$37,683
--	--

REDUCE NON-SALARY EXPENDITURES FOR FY 97	\$23,000
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RCI

REDUCE SALARY, FRINGE AND NON-SALARY EXPENDITURES FOR FY 97	\$31,256 SALARY \$13,946 FRINGE \$600 S&S \$2,004 OT SALARY \$445 OT FRINGE <hr/> \$48,251
--	---

OSCI

REDUCE OVERTIME BUDGET	\$60,000 SALARY \$13,320 FRINGE <hr/> \$73,320
-------------------------------	--

DAI - CENTRAL OFFICE

REDUCE NON-SALARY EXPENDITURES	\$4,900
---------------------------------------	---------

TOTAL	\$1,701,509
--------------	--------------------

**IN ADDITION TO THE ABOVE, 46 POSITION WOULD
NEED TO BE KEPT VACANT TO MEET TURNOVER:**

(Based on average salary of \$32,000)
(turnover = \$1,479,500)



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

December 20, 1995

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Department of Corrections Required Cost Reductions

Under section 9112 (2t) of 1995 Act 27, the Department of Corrections was required to submit a report to the Joint Committee on Finance, by January 1, 1996, "recommending how savings in fiscal year 1996-97 of \$1,700,000 resulting from budget efficiency measures should be allocated among the Department's general purpose revenue appropriations and how many positions should be abolished." Act 27 specified that the allocation and position reduction plan be subject to a 14-day passive review process. The Department of Corrections submitted a report on December 13, 1995. As a result, the Committee has until January 4, 1996, to review the Department's recommendations. If no objection is raised, the DOC plan would be approved on that date.

The attachment identifies the Department's proposed cost reductions for 1996-97. All of the cost reductions are from Corrections general program operations appropriation [s. 20.410 (1)(a)]. The following points should be made regarding Corrections proposed cost reductions:

- The \$1.7 million reduction in 1996-97 was already made in Act 27. The report submitted by Corrections identifies how the Department intends to manage the reduction.

- The reductions proposed by DOC are one-time reductions in 1996-97. The Department indicates that a permanent reduction of \$1.7 million will be made in the 1997-99 biennial budget based on a study that Corrections and DOA's Division of Facilities Development will conduct on the future utilization of institutional towers. According to Corrections, the study will assess existing towers, identify alternative technologies, staffing patterns and physical plant modifications, identify long- and short-term costs, make recommendations and suggest an implementation strategy. The Department anticipates that the study would be complete by September 1, 1996.

- Corrections and DOA officials indicate that the \$1.7 million reduction will not be restored to the agency under base or standard budget adjustments in the 1997-99 biennial budget, but rather will be separately identifiable.
- No position reductions are identified for 1996-97.
- A hiring freeze of 20.5 positions would not apply to correctional officers, food service staff or power plant staff. Corrections cannot currently identify specific positions which will be frozen, but has indicated that by March, 1996, as positions become vacant they will be frozen. If an institution wishes to utilize a frozen position, another position would be substituted.
- A one-year moratorium on weapons requalification would not apply to tower and control center officers. Currently all officers annually participate in weapons requalification. The only officers routinely utilizing weapons, however, are those in the institutions guard towers or control center.
- Reductions at the institutions were recommended by the institutions in accordance with target amounts established by the Department. Corrections indicates that each institution's operating budget will be reduced as identified and individual institutions expected to manage the reduction.

BL/JR/sas

ATTACHMENT

Department of Corrections Required Cost Reductions 1996-97

	<u>Amount</u>
Waupun	
• Delay hiring staff that were budgeted for two weeks in 1996-97 until 1997-98	\$49,600
Green Bay	
• Reduce non-salary expenditures	44,000
Taycheedah	
• Eliminate the hiring of limited-term employes in 1996-97	10,227
• Reduce non-salary expenditures	12,000
Fox Lake	
• Reduce non-salary expenditures	45,800
Columbia	
• Eliminate the hiring of limited-term employes in 1996-97	18,516
• Reduce non-salary expenditures	21,000
Kettle Moraine	
• Reduce salary, fringe benefit and supplies and services costs	48,152
Oakhill	
• Eliminate affirmative action intern	5,598
• Reduce non-salary expenditures	25,000
Dodge	
• Delay hiring 1.0 position until 1997-98	37,683
• Reduce non-salary expenditures	23,000
Racine	
• Reduce salary, fringe benefit and supplies and services costs	48,251
Oshkosh	
• Reduce overtime budget	73,320
Division of Adult Institutions	
• Freeze hiring on 20.5 positions	905,411
• Reduce funding for replacement food equipment	249,400
• Freeze 0.9 officer position	24,822
• One year moratorium on weapons requalification (excluding tower and control center positions)	54,829
• Reduce non-salary expenditures	<u>4,900</u>
TOTAL	\$1,701,509

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

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P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

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JOINT COMMITTEE ON FINANCE

December 21, 1995

TO: Members
Joint Committee on Finance

FROM: Senator Tim Weeden, Senate Chair
Representative Ben Brancel, Assembly Chair

SUBJECT: DOA Report on ETF's Imaging Project

*no objections
no letter went out.
approved*

Section 9119 of 1995 Act 27 placed in unallotted reserve in the Department of Employee Trust Funds' (ETF) budget a total of \$2,170,000 SEG in 1995-96 and \$1,706,700 SEG in 1996-97 provided for the implementation of an electronic document imaging system for retirement system records. Act 27 provides that these funds may not be released for expenditure until the Secretary of the Department of Administration (DOA) has submitted a report to the Joint Committee on Finance and the Committee has had an opportunity to review the report and have any concerns answered in writing by the DOA Secretary.

Act 27 further specified that the report should include all of the following: (1) the results of a review of the project by DOA's Division of Technology Management; (2) the objectives of the optical imaging project; (3) the schedule for implementation of the project; (4) an evaluation of project activities to date; (5) any additional funding required in 1995-97; and (6) future funding requirements.

Attached to this memorandum is the report that has been submitted by the Secretary of DOA as required under Act 27. Please let our offices know by January 8th, 1996, if you have any concern regarding this report which you believe needs to be answered by the Secretary of DOA in writing.

TW/BB/dr
Attachment

STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR
JAMES R. KLAUSER
SECRETARY



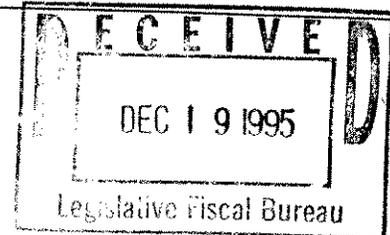
12-19 95

Mailing Address:

Information Technology Services
101 East Wilson Street
Post Office Box 7844
Madison, WI 53707-7844

Telephone: (608) 266-1651
Facsimile: (608) 266-2164

December 15, 1995



The Honorable Timothy Weeden, Co-Chair
Joint Committee on Finance
37 South, State Capitol Building
Madison, WI 53703

The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance
107 South, State Capitol Building
Madison, WI 53703

Dear Senator Weeden and Representative Brancel:

Nonstatutory provision s.9119 of 1995 Act 27 requires that the Department of Administration submit a report on the electronic document imaging system project undertaken by the Department of Employee Trust Funds, before the release of funding for the project. The attached report titled "Document Image Management Report" is DOA's review and analysis of the Department of Employee Trust Funds project, and is being submitted to both the Joint Committee on Finance and the Joint Committee on Information Policy.

The DOA divisions of Technology Management and Information Technology Services has carefully reviewed the ETF project and have reported to me that the project is well planned and that implementation is proceeding smoothly and on schedule. Therefore, it is my recommendation that the approved funding for this project be allotted to the Department of Employee Trust Funds.

If you have any questions regarding this report, please direct them to Mark Wahl, Administrator, Division of Technology Management.

Sincerely,


James R. Klauser
Secretary

14 day comment period ends Jan. 10

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