

1997-98 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance
(JC-Fi)

Sample:

- Record of Comm. Proceedings
- 97hrAC-EdR_RCP_pt01a
- 97hrAC-EdR_RCP_pt01b
- 97hrAC-EdR_RCP_pt02

- Appointments ... Appt
-
- Clearinghouse Rules ... CRule
-
- Committee Hearings ... CH
-
- Committee Reports ... CR
-
- Executive Sessions ... ES
-
- Hearing Records ... HR
-
- Miscellaneous ... Misc
- 97hr_JC-Fi_Misc_pt06b_pt01_DPR
-
- Record of Comm. Proceedings ... RCP
-

Joint Finance

16.515/16.505

14 Day Passive
Reviews

7/25/97 —

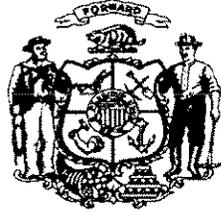
12/4/97

Arts Board / PD / DOT
12/2/97

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

119 MLK, Room LL1
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

December 3, 1997

Secretary Charles Thompson
Department of Transportation
Hill Farms State Transportation Building, Room 120B
4802 Sheboygan Avenue
Madison, WI

Dear Secretary Thompson:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your report, dated November 11, 1997, recommending how reductions in each year of the biennium should be allocated among GPR sum certain appropriations, as required under 1997 Act 27.

No objections have been raised concerning this request. Accordingly, the request is approved.

Sincerely,

Handwritten signature of Brian Burke in cursive.

BRIAN BURKE
Senate Chair

Handwritten signature of John Gard in cursive.

JOHN GARD
Assembly Chair

cc: Members, Joint Committee on Finance
Jay Huemmer, Department of Administration
Robert Lang, Legislative Fiscal Bureau

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JOINT COMMITTEE ON FINANCE

December 3, 1997

George Tzougros
Executive Director
Wisconsin Arts Board
First Floor, 101 East Wilson St.
Madison, WI 53702

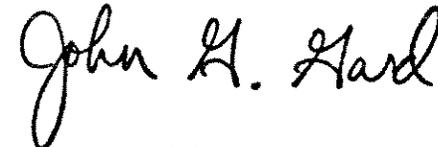
Dear Director Tzougros:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your report, dated November 11, 1997, recommending how reductions in each year of the biennium should be allocated among GPR sum certain appropriations, as required under 1997 Act 27.

No objections have been raised concerning this request. Accordingly, the request is approved.

Sincerely,


BRIAN BURKE
Senate Chair

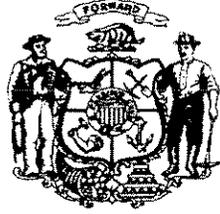

JOHN GARD
Assembly Chair

cc: Members, Joint Committee on Finance
Jay Huemmer, Department of Administration
Robert Lang, Legislative Fiscal Bureau

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

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JOINT COMMITTEE ON FINANCE

December 3, 1997

Nicholas L. Chiarkas
State Public Defender
315 N. Henry Street
Second Floor
Madison, WI 53702

Dear Mr. Chiarkas:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your report, dated November 11, 1997, recommending how reductions in each year of the biennium should be allocated among GPR sum certain appropriations, as required under 1997 Act 27.

No objections have been raised concerning this request. Accordingly, the request is approved.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John Gard in black ink.

JOHN GARD
Assembly Chair

cc: Members, Joint Committee on Finance
Jay Huemmer, Department of Administration
Robert Lang, Legislative Fiscal Bureau



Legislative Fiscal Bureau

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

November 24, 1997

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Budget Reductions Reallocations

Under Act 27 (the 1997-99 state budget) the appropriations of the Arts Board, Office of the State Public Defender and Department of Transportation were reduced with the provision that these agencies submit reports to the Joint Committee on Finance, under a 14-day passive review process, to reallocate the reductions to other appropriations within these agencies.

These reports have now been submitted.

Attached are papers, prepared by this office on the three agency submissions. Unless the Committee decides to meet to consider these reports, they would be approved on December 2.

BL/lah
Attachments



Legislative Fiscal Bureau

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

November 24, 1997

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Arts Board Budget Reduction -- 14 Day Passive Review

BACKGROUND

A provision in the 1997-99 state budget (1997 Act 27) reduced the Arts Board's state aid for the arts appropriation by \$20,500 GPR annually. The Act required that the Board submit a report to the Governor and the Joint Committee on Finance, within 30 days after the effective date of the budget bill, recommending how the reductions would be allocated among the Board's general purpose revenue appropriations. The report is subject to the approval of the Joint Committee on Finance under a 14-day passive review process. If, within 14 working days after the report's submittal date, the Co-chairs of the Committee do not notify the Arts Board that a meeting has been scheduled for the purpose of reviewing the report, the recommendations may be implemented as proposed.

If the Committee does not schedule a meeting by December 2, 1997, the report will be considered approved.

ANALYSIS

The Arts Board has four sum certain GPR appropriations among which it could allocate the required reductions: (1) general program operations; (2) state aid for the arts; (3) the arts challenge initiative program; and (4) the Wisconsin regranting program. A separate provision in Act 27 reduced the appropriation for arts challenge initiative program by \$30,700 GPR annually. The Board recommends that the entire \$20,500 annual reduction be taken from the state aid for the arts appropriation. Because the Board's recommendation is identical to the Act

27 provision, its proposal would not require any reallocation of the reductions to other appropriations.

The state aid for the arts appropriation supports a variety of categories of grants to groups, individuals and organizations, most of which are funded through a combination of GPR and federal monies. Arts Board staff indicate that the reduction would be distributed among the grant categories based on each category's approximate share of total (state and federal) funding in 1996-97.

Prepared by: Merry Larsen



Legislative Fiscal Bureau

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

November 24, 1997

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Public Defender Budget Reduction -- 14-Day Passive Review

Under Act 27, the Public Defender is required to submit a plan to the Joint Committee on Finance to allocate, among the agency's sum certain GPR appropriations, the budgetary efficiency measures imposed by the Act. The Public Defender submitted such a plan on November 11, 1997. The plan is subject to a 14-day passive review process. Therefore, the Co-chairs of the Committee have until December 2, 1997, to schedule a meeting to review the Public Defender's plan. If no meeting is scheduled before that date, the funds may be reallocated in accordance with the plan.

BACKGROUND

Under the Governor's 1997-99 budget recommendations, the Public Defender's trial representation appropriation was reduced by \$816,900 in 1997-98 and \$987,600 in 1998-99 to reflect permanent reductions in the agency's base GPR state operations funding. The reductions, which represent a cut of 1.46% in 1997-98 and 1.77% in 1998-99, were similar to 2% permanent reductions in GPR state operations funding recommended by the Governor for certain other state agencies, the Courts and the Legislature. The Public Defender cuts were approved by the Legislature and enacted in Act 27 with the requirement that, within 30 days after the passage of the budget bill, the Public Defender submit a plan to the Governor and the Joint Committee on Finance allocating the reductions among the agency's sum certain, general purpose revenue appropriations.

ANALYSIS

In accordance with Act 27, the Public Defender has submitted its request for reallocating the budget reductions. Under the plan, the entire reduction would be transferred from the annual trial representation appropriation to the biennial private bar and investigator reimbursement appropriation. The chart below lists the total 1997-99 GPR funding budgeted for the Public Defender along with the proposed reallocation. [With the exception of the biennial private bar appropriation, all of the appropriations are annual.]

SPD Sum Certain GPR Appropriations	Act 27 Appropriation		Public Defender Plan	
	<u>1997-98</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1998-99</u>
Program Administration	\$1,250,300	\$1,278,400	-0-	-0-
Appellate Representation	3,643,200	3,673,100	-0-	-0-
Trial Representation	32,253,900	32,069,200	\$816,900	\$987,600
Private Bar and Investigator Reimbursement	17,755,200	19,239,000	-816,900	-987,600
Private Bar and Investigator Reim., Admin.	504,700	504,700	-0-	-0-
Transcript and Record Payments	<u>1,399,600</u>	<u>1,399,600</u>	<u>-0-</u>	<u>-0-</u>
Total GPR	\$56,806,900	\$58,164,000	-0-	-0-

The trial representation appropriation funds the costs of trial representation provided by Public Defender staff. Because it is an annual appropriation, the agency is restricted in its spending to the total amounts available for each fiscal year. The private bar appropriation funds payments to private attorneys and investigators who are appointed to handle cases for the Public Defender. As a biennial appropriation, the agency has access to the entire amount budgeted for private bar payments for the biennium in either fiscal year. Therefore, the Public Defender's proposal to transfer the budget reductions from an annual appropriation to a biennial appropriation would allow the agency the flexibility to delay some of the reductions into the next fiscal year.

In its report to the Committee, the Public Defender indicates that it will not be able to absorb the Act 27 reductions and, therefore, will seek to restore part or all of the funding through s. 13.10 or a budget adjustment bill in January, 1998. Further, the agency indicates that it currently anticipates an additional shortfall in funding of at least \$4,679,100 over the biennium resulting from: (a) an underfunded compensation plan; (b) turnover reduction requirements; (c) lack of funding for computer maintenance; and (d) anticipated caseload increases resulting from the 14.0 additional assistant district attorney (ADA) positions provided under Act 27.

During the 1997-99 budget deliberations, the Public Defender was given the opportunity to respond to the Joint Committee on Finance regarding its overall budget, as proposed by the Governor. In addition, this office inquired as to the effect of the potential reductions on the agency. In both of these instances, the Public Defender acknowledged that while the 1997-99 proposed budget would be difficult for the agency to manage, the agency was hopeful that it

could meet the reduction goals. The Public Defender now indicates that the pay plan shortfall and the additional ADAs, along with the other projected deficits, make it impossible for the agency to absorb the unspecified reductions.

While the agency currently indicates that it will be unable to absorb the reductions and may face further deficits, the actual extent to which that may happen is unknown. For example, the Public Defender had originally estimated a deficit of \$18 million early in the 1995-97 biennium, which as a result of caseload reductions, revenues from collections, staff turnovers, tightened eligibility and other agency initiatives, was reduced to \$2.3 million at the end of the biennium. Because there are similar unknowns in this biennium, restoration of the cuts or provision of additional funding seems premature at this time.

It should be noted that the private bar appropriation is budgeted only to pay bills received through March 31 of the second year of the biennium. The Public Defender is required to pay bills submitted by private attorneys within four months of the date that the office receives them. Bills not paid within four months are subject to interest payments. As a result, any further delays in payments would result in additional costs to the state. Therefore, the reallocation of the reductions proposed by the Public Defender may not be a permanent solution, but rather a temporary means to manage the reductions and give the Public Defender more time to assess its overall funding needs.

Prepared by: Carri Jakel



Legislative Fiscal Bureau

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

November 24, 1997

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Reallocation of Operating Budget and Position Reductions in DOT's Budget -- 14-Day Passive Review

Act 27 includes a provision requiring the Department of Transportation to submit to the Joint Committee on Finance, for a 14-day passive review, a plan to reallocate between appropriations the operating budget reductions and position cuts imposed by the Act. DOT submitted such a plan on November 11, 1997, therefore, the Co-chairs of the Committee have until December 2, 1997, to schedule a meeting to review DOT's request. If no meeting is scheduled before that date, DOT may implement its plan.

BACKGROUND

Act 27 made budget reductions in two ways: (a) a 2% reduction in DOT's base level operating budget (excluding the Division of State Patrol), equal to \$4,270,000 SEG annually; and (b) the elimination of positions that, at the time of consideration by Joint Finance, had been vacant for 12 months or more, equal to 11.5 positions and with associated savings of \$403,300 (\$326,200 SEG, \$45,500 SEG-S and \$31,600 PR) annually. In total, \$4,673,300 annually and 11.5 positions were cut in 1997-99 due to across-the-board and position vacancy reductions.

In addition, Act 27 included several initiatives which increase DOT's costs, but which were either not funded or were provided funding below what DOT indicated would be the full costs. Examples include the following: (a) a provision to require the use of temporary license plates for certain vehicles, estimated by DOT to require \$505,400 and 7.3 positions to implement, was funded with \$389,900 and 4.0 positions; (b) a provision altering how the beginning and ending dates for vehicle registration are determined, estimated to cost \$119,000, was provided no funding; and (c) a provision creating a late fee for driver license and vehicle registration

renewals, estimated to cost \$1,248,400 and 28.9 positions over the biennium, was funded with \$531,800 and 14.0 positions. Similarly, the pay plan was not fully funded, which could cause DOT to absorb up to an additional \$2.4 million in expenses from its existing operating budget.

Finally, Act 27 made numerous budget reductions, particularly in the DMV and highways areas, associated with efficiency measures, including, for instance, an initiative to process titles and registrations electronically through financial institutions and the elimination of the production and installation of certain types of highway signs. These reductions should be viewed separately from the other budget cuts since the amounts are commensurate with reductions in the Department's workload or costs. DOT indicates, however, that these initiatives have reduced its ability to find further savings from process improvements, particularly in DMV.

DOT'S REQUEST

The following table summarizes, by appropriation, the 2% budget reductions contained in Act 27, DOT's proposed reallocation and the net change.

<u>Appropriation</u>	<u>Act 27 Reduction</u>		<u>Reallocation</u>		<u>Net Reduction</u>	
	<u>1997-98</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1998-99</u>
Local Assistance						
Rail Service Assistance	-\$13,500	-\$13,500	-\$3,400	-\$3,400	-\$16,900	-\$16,900
Harbor Assistance	-1,600	-1,600	1,600	1,600	0	0
Aeronautics Assistance	-43,000	-43,000	-30,100	-30,100	-73,100	-73,100
Local Bridge Assistance	-2,700	-2,700	2,700	2,700	0	0
State Highways						
Major Hwy. Development	-\$104,400	-\$104,400	\$104,400	\$104,400	\$0	\$0
Hwy. Rehabilitation	-974,100	-974,100	-2,538,900	-2,708,300	-3,513,000	-3,682,400
Hwy. Maintenance	-478,400	-478,400	478,400	478,400	0	0
Hwy. Administration	-379,400	-379,400	344,500	344,500	-34,900	-34,900
Transportation Operations						
Mgmt. & Operations	-\$887,500	-\$887,500	\$377,100	\$423,100	-\$510,400	-\$464,400
Motor Veh. & Enforcement						
Motor Veh. & Licensing	-\$1,226,600	-\$1,226,600	\$1,226,600	\$1,226,600	\$0	\$0
Emissions Insp. Contract	<u>-158,800</u>	<u>-158,800</u>	<u>98,800</u>	<u>98,800</u>	<u>-60,000</u>	<u>-60,000</u>
TOTAL	-\$4,270,000	-\$4,270,000	\$61,700	-\$61,700	-\$4,208,300	-\$4,331,700

In addition to these changes, DOT is proposing to replace SEG funding for 2.5 positions in the planning and highway safety areas with FED funding. This will reduce some of the burden on the SEG resources in these areas.

ANALYSIS

The most significant aspect of DOT's plan to reallocate the cuts contained in Act 27 is the movement of the burden away from the Division of Motor Vehicles. In order to reduce the burden on the DMV, additional cuts are made in other areas, primarily in the state highway rehabilitation program.

DOT indicates that the DMV is not able to absorb the cuts because the Division will bear a large share of the burden of the new initiatives and the underfunded pay plan. If DMV were forced to absorb the cuts in Act 27, the waiting period to renew registrations and driver's licenses or receive new titles would likely increase. The cuts would affect both DMV service centers and DMV products, like vehicle titles and registration renewals, that are processed centrally and sent via mail.

DOT indicates that the rehabilitation program has the greatest potential for absorbing additional cuts while minimizing the adverse impacts on program delivery in the short run. The cuts will be taken as follows: (a) about one-third of the reduction would come from a reduction in the amount of supplies and services and permanent property purchased; (b) slightly less than one-fourth would be taken in LTE salaries and fringe benefits; and (c) the remainder would be a reduction in the number of engineering consultants hired to design new projects.

The reduction in supplies and services and permanent property would reduce the purchase of digital cameras and computer software and hardware, which are used in engineering. In addition, travel expenses and engineer training would be reduced. The reduction in LTE salaries and fringe benefits would result in a reduction of the number of limited-term employees hired by DOT to serve as project managers, which would result in a reduction in the amount of time that project managers spend on the site of construction projects.

DOT believes that the funding for hiring design consultants can be reduced for two reasons. First, DOT feels that the number of new highway projects being designed can be reduced. DOT normally maintains an excess pool of completed designs in order to increase the flexibility in scheduling projects. The Department feels that the size of the pool of completed designs is currently large enough to allow for a decrease in the design of new projects, thereby allowing the size of the pool to decrease. In the future, however, DOT would need to devote more resources to project design to restore the size of the pool of excess projects if scheduling flexibility is to be maintained. Second, DOT believes that enhanced efficiency from past improvements in the process used to review project designs will allow the Department to reduce engineering consultant expenditures somewhat without a corresponding reduction in output. The

new procedures have reduced the number of costly contract change orders, which are changes to the designs of highway projects that are made after the designs have already been completed.

In addition to holding DMV harmless, DOT would restore funds in several other appropriations, most significantly in the appropriations for major highway development, state highway maintenance, highway administration (which supports highway programs as well as local roads and transit programs) and general management and operations, the funding source for the Division of Business Management (DBM), which performs the Department's accounting, human resources, fleet management and information management functions.

DOT indicates that these programs are less able to absorb the reductions in Act 27 than the rehabilitation program. Unlike the rehabilitation program, the size of the excess design pool in the major highway development program is not large enough to absorb reductions in design funding, so all of the funding was restored. For the maintenance program, all of the funding was restored because DOT believes that the cuts could not be taken without having an impact on functions such as pavement marking and traffic signalization. Most of the funding was restored for highway administration because DOT feels that additional cuts could not be taken without eliminating additional positions. Finally, about half of the cuts were restored for DBM. Since this Division performs functions that all other divisions use in their operations, DOT indicates that only limited cuts could be taken without pushing some responsibilities and their associated costs onto the highway program, DMV and the State Patrol. Because many of these functions, such as fleet management and information management, are done centrally by DBM, DOT believes that the full cuts would reduce the Department's overall efficiency.

In summary, Act 27 made funding and position reductions in DOT's 1997-99 operating budget totaling \$9,346,600 and 11.5 positions and required the Department to submit a plan to the Joint Finance Committee to reallocate funding between appropriations. DOT's plan would reallocate a total of \$5,314,200, primarily by absorbing additional cuts in the highway rehabilitation program and restoring all of the funding for the Division of Motor Vehicles.

Prepared by: Jon Dyck

STATE OF WISCONSIN



SENATE CHAIR
BRIAN BURKE

LL1 119 Martin Luther King Blvd.
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ASSEMBLY CHAIR
JOHN GARD

315 North, State Capitol
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Madison, WI 53708-8952
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JOINT COMMITTEE ON FINANCE

November 14, 1997

TO: Members
Joint Committee on Finance

FROM: Senator Brian Burke, Co-Chair
Representative John Gard, Co-Chair

RE: 14-Day Passive Review

Attached please find copies of recommendations from the Arts Board, the State Public Defender and the Department of Transportation on how reductions in each year of the biennium should be allocated among their GPR sum certain appropriations.

Please review the attached materials and notify **Senator Burke** or **Representative Gard** no later than **Tuesday, December 2, 1997**, if you have any concerns about the recommendations or if you would like the Committee to meet formally to consider them.

Also, please contact us if you need further information.

Attachments
BB:JG:dh



Governor
Tommy G. Thompson

November 11, 1997

BOARD MEMBERS

Board Chairman
Kathryn Burke
Milwaukee

DeEtte Beilfuss-Eager
Evansville

James Carley
Madison

Gerald Darrow
Platteville

Bob Hastings
Ephraim

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ndra Mills
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Jill G. Pelisek
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Patricia Rusch
Rhineland

Stephen J. Schoen
Green Bay

Emma Talen
Menomonie

Linda L. Ware
Wausau

Mary Alice Wimmer
Madison

Executive Director
George Tzougros

PHONE (608) 266-0190

FAX (608) 267-0380

TDD (608) 267-9629

TO: The Honorable Governor Tommy Thompson
Joint Committee on Finance

FROM: George Tzougros, Executive Director
WI Arts Board 

RE: Budget Implementations

In compliance with the State Budget Office directive, the Wisconsin Arts Board met to discuss the budget cuts. The Board, in considering these reductions, began by carefully reviewing its state & federal funding.

The Arts Board, decided to take a pro-rata cut in each of the grant programs, reducing the GPR appropriation, State Aids for the Arts, in the amount of \$20,500 each year in the biennium. The cuts will be as follows: Community Arts Development which include Arts in Education, Local Arts Agency, and Folk Arts will take a \$2,220 cut; Artistic Program Support I will take a \$10,865 cut; Artistic Program Support II will take a \$3,011 cut; Individual Artist Program will take a \$1,770 cut; and Performing Arts Network will take a \$2,634 cut.

Included with this letter is our guide to programs. If you have any questions, please contact Connie Miller, WAB Administrative Manager at 266-0841.

cc: Kathryn Burke, Chairman
Gloria Kirking, Chairman, Budget Committee
Steve Milioto, Budget Analyst, Department of Administration



W I S C O N S I N A R T S B O A R D

g u i d e TO PROGRAMS AND SERVICES

Governor
Tommy G. Thompson

BOARD MEMBERS

Board Chairman
Kathryn Burke
Milwaukee

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Executive Director
George Tzougros

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The Wisconsin Arts Board is the state agency responsible for the support and development of the arts throughout Wisconsin. Since 1973, the Arts Board has supported artists and arts organizations with funds from the state legislature and the National Endowment for the Arts.

t H E M I S S I O N S T A T E M E N T

It is the mission of the Wisconsin Arts Board to take a leadership role in enhancing the appreciation of and ensuring the continued vitality of the arts in Wisconsin. The Wisconsin Arts Board is committed to creating an environment of free expression and open interpretation in which the arts can flourish, and to preserving the heritage and multiplicity of artistic standards of the state's cultural groups. The Wisconsin Arts Board is further pledged to strengthening arts education, to supporting artistic excellence, to encouraging financial stability, and to ensuring full access to and full participation in these assets for all Wisconsin citizens throughout the state regardless of disability, race, age, sex, religion, or national origin.

The Wisconsin Arts Board fulfills this mission by advocating the importance of the arts and by providing funds, services, and information to artists, arts organizations, educational institutions, communities, and all other interested citizens of the state.

t H E B O A R D A N D S T A F F

The Arts Board is governed by a board of fifteen members appointed by the Governor to serve three-year terms. Board members are Wisconsin citizens recognized for their accomplishments in the arts, humanities, business, education or public service. The board includes members from urban and rural areas across the state and from diverse racial, economic and cultural backgrounds. Board members set policy for the agency and approve funding recommendations made by peer review panels. The members meet a minimum of four times per year, and all meetings are open to the public.

The agency's program and support staff members implement policies and programs and provide technical and informational services to the public.

*f*OR MORE INFORMATION

Fill out the attached questionnaire and return it to the Wisconsin Arts Board. The Arts Board will in turn mail to you the current publications you've checked off. Grant applications and guidelines are mailed approximately six weeks prior to the annual deadline, and forms for listing in a publication are mailed approximately four weeks prior.

- ◆ Organizations must complete sections 1 and 2
- ◆ Individuals must complete sections 2 and 3
- ◆ To receive information as both an organization and individual, complete all three sections.

In addition to receiving materials from the Madison office, the Wisconsin Arts Board has established ten Regional Resource Centers throughout the state from which you may obtain most publications, in addition to application forms when current. Call us to locate the center nearest you.

All Wisconsin Arts Board applications and publications are available in large type, braille, or audio tape; contact us to receive this material.

The Wisconsin Arts Board is located in the State Administration Building at South Pinckney and East Wilson Streets in downtown Madison. Feel free to drop by, call us at (608) 266-0190, or write to us at 101 East Wilson Street, First Floor, Madison, WI 53702.

We can be reached Monday through Friday from 8:30 am - 4:30 pm.

T H E *arts* T O U C H E V E R Y O N E

Experiencing the arts helps us understand ourselves and the world in which we live. The arts build community pride, give expression to our many cultures, revitalize towns and cities and teach creative problem-solving in our schools.

Through funding programs and services, the Wisconsin Arts Board helps make the arts happen in Wisconsin.

*f*UNDING — INDIVIDUALS

Artist Fellowship Awards are intended to reward outstanding, professionally active Wisconsin artists by supporting their continued development, enabling them to create new work, complete work in progress, or pursue activities which contribute to their artistic growth. Currently, ten to twelve artists are selected each year to receive an \$8,000 Fellowship. Deadline for literary artists, music composers, choreographers and performance artists: September 15, 1998; deadline for visual artists and media artists: September 15, 1999.

The **Percent for Art Program** offers .02 percent of construction costs associated with select, state-owned buildings for the commission and purchase of visual art. Artists placed on the mailing list receive information about active acquisition projects. Both out-of-state and Wisconsin artists may apply for specific commission projects; direct purchase opportunities are open to Wisconsin artists only. Deadline: Ongoing.

*f*UNDING — ORGANIZATIONS

Artistic Program Support I promotes artistic quality, organizational and financial stability and long-range planning for producing arts organizations which have statewide impact and budgets in excess of \$593,000 (minimum budget level increases annually based on August's consumer price index). Only organizations that meet this criterion will receive the application form. Deadline: November 17, 1997.

Artistic Program Support II provides funding to support the ongoing artistic programming of established nonprofit arts organizations, whose budgets are below the APS I minimum, and whose primary mission is to create, produce & present arts programming of significant local, statewide or regional impact. Deadline: February 2, 1998.

The **Arts Challenge Initiative** program encourages nonprofit arts organizations to leverage income from private sources. This program provides state funds to arts organizations that meet or exceed their total eligible income generated during the previous year. Deadline: August 3, 1998.

Community Development Project Grants were created to advance community arts development. Projects funded by this program must relate to one of the following three areas of emphasis—Folk Arts, Local Arts Agencies, or Arts in Education. Deadline: February 17, 1998.

Performing Arts Network—Wisconsin provides support to arts organizations that engage non-local, professional touring artists for a series of four or more performances. Deadlines: Intent to Apply due February 2, 1998; application due March 2, 1998.

SERVICES

The Arts Board database, **HOBIE**, contains a mailing list of approximately 15,000 names including artists, arts organizations and nonprofit organizations with arts programming. For a fee, information can be selected, formatted and printed (computer printout, mailing labels or disc) to meet the purchaser's needs. Contact the Information Management Coordinator at the Wisconsin Arts Board if you require this service.

PUBLICATIONS

Down Home Dairyland is a radio series showcasing the traditional and ethnic music of Wisconsin. Co-produced by the Arts Board and Wisconsin Public Radio, the program can be heard statewide over public radio stations on Sundays. Schedules available periodically.

Wisconsin Statewide Arts Service Organization Directory - Provides detailed programming information on thirty Wisconsin arts service organizations plus the addresses and telephone numbers of nineteen others.

Wisconsin Gallery Listing - Although not a comprehensive listing of Wisconsin galleries, this collection of almost sixty visual art exhibition venues provides specific details for those artists interested in submitting works for public viewing.

The Wisconsin Arts Board's **Biennial Report** lists our grant recipients and finance report, and highlights the agency's activities from the past two fiscal years.

The **Bulletin** is the Arts Board's quarterly newsletter featuring articles and information of interest to the arts community. Along with covering current arts issues, it provides information about funding opportunities and reports on such topics as advocacy, improving accessibility for persons with disabilities, grant writing tips, etc.

The **Wisconsin Presenters Network Guide**, a directory of Wisconsin organizations that present the performing arts in the state, provides information useful to both touring artists and presenters. The Directory is a joint project with the Wisconsin Presenters Network.

The **Wisconsin Touring Performing Artist Directory**, a catalog of statewide performing artists, is a valuable resource especially for performing arts presenters. Published biannually, the directory currently offers information on over 65 Wisconsin groups and individuals available for touring. Discipline descriptions, touring dates, fee ranges and booking contacts are listed. Forms are available for artists who would like to be included.

The **Directory of Wisconsin's Local Arts Agencies** provides contact names and detailed information about each of the state's local arts agencies.

Basic Record Keeping Procedures: A Handbook for Grant Applicants was developed to help arts organizations improve their management of financial information by providing information in lay terms about basic record keeping procedures.

Arts in the Wisconsin Economy: An Economic Impact Study analyzes the economic impact of spending by Wisconsin's nonprofit arts organizations in 1995. The most comprehensive of its kind ever conducted, this report brings compelling new evidence that the nonprofit arts are a significant industry in Wisconsin, supporting jobs and stimulating the state economy.

Wisconsin Art & Craft Fairs Directory, published annually, provides a comprehensive list of fairs throughout the state. It provides details for both those interested in attending and those who wish to exhibit or sell work. Sponsors of Wisconsin art and craft fairs may list their show in the following year's directory by filling out a questionnaire form available each fall.

Due to the large number of requests, the Wisconsin Art & Craft Fairs Directory is not available through the attached questionnaire. A copy of the current directory may be obtained in one of the following two ways:

1. mail to the Wisconsin Arts Board a self-addressed, 6½"x9½" envelope with a \$1.24 postage affixed;
2. or call the Wisconsin Department of Tourism's toll-free number, 1-800-432-8747, for a free copy.

ADDITIONAL RESOURCES

Local - Over seventy local arts agencies exist throughout Wisconsin. These agencies act as a support network and help deliver the arts to the areas they serve. For a contact in your area, refer to the *Directory of Wisconsin's Local Arts Agencies* (described above).

Regional - Arts Board membership in Arts Midwest, a nine-state regional arts organization, benefits Wisconsin citizens through a variety of programs and funding opportunities. For more information—

phone: (612) 341-0755, TDD (612) 341-0901
address: Arts Midwest, 528 Hennepin Avenue,
Suite 310, Minneapolis, MN 55403
email: webcom@artsmidwest.org
website: <http://www.artsmidwest.org/>

National - The National Endowment for the Arts (NEA) is a federal agency that supports the arts to benefit all Americans. For grant and program information—

phone: (202) 682-5400
address: NEA, The Nancy Hanks Center, 1100 Pennsylvania Ave. NW, Washington, DC 20506
email: webmgr@arts.endow.gov
website: <http://arts.endow.gov/>

questionnaire



SECTION 1 (FOR ORGANIZATIONS)

Organization's name _____

Contact person _____ Title _____

Mailing address of organization _____

City _____ State _____ Zip code _____

County _____ Daytime telephone () _____

Select as many grant applications or publications as you wish to receive by checking the boxes below:

Applications Forms (app)

- | | |
|--|---|
| <input type="checkbox"/> 05 Community Development Project Grants | <input type="checkbox"/> 15 Form to list in the WI Touring Artist Directory |
| <input type="checkbox"/> 11 Artistic Program Support I | <input type="checkbox"/> 16 Form for listing a fair in the Wisconsin Art & Craft Fair Directory |
| <input type="checkbox"/> 12 Artistic Program Support II | <input type="checkbox"/> 17 Arts Challenge Initiative Program |
| <input type="checkbox"/> 14 Performing Arts Network—Wisconsin | |

Publications (pub)

- | | |
|---|---|
| <input type="checkbox"/> 01 Down Home Dairyland schedules | <input type="checkbox"/> 17 Wisconsin Presenters Network Guide |
| <input type="checkbox"/> 02 Directory of Statewide Arts Service Organizations | <input type="checkbox"/> 18 WI Touring Performing Artist Directory |
| <input type="checkbox"/> 03 Wisconsin Gallery Listing | <input type="checkbox"/> 20 Directory of Wisconsin Local Arts Agencies |
| <input type="checkbox"/> 11 Biennial Report | <input type="checkbox"/> 00 Basic Record Keeping Procedures |
| <input type="checkbox"/> 12 Bulletin (Agency Newsletter) | <input type="checkbox"/> 00 Arts in the Wisconsin Economy: An Economic Impact Study |

Status: What is the legal definition of the organization? Write one code in the boxes to the left.

- | | | |
|-----------------------------|--------------------------|--|
| 02 Organization - Nonprofit | 05 Government - State | 08 Government - Municipal (include public schools) |
| 03 Organization - Profit | 06 Government - Regional | 09 Government - Tribal |
| 04 Government - Federal | 07 Government - County | 99 None of the Above |

Institution: What type of organization is it? Write one code in the boxes to the left.

- | | | |
|-------------------------------|----------------------------------|--------------------------------|
| 03 Performing Group | 20 School - Parent/Teacher Assn. | 36 Senior Citizens' Center |
| 04 Perf. Group-College/Univ. | 21 School - Elementary | 37 Parks and Recreation |
| 05 Perf. Group - Community | 22 School - Middle | 38 Government - Executive |
| 06 Performing Group for Youth | 23 School - Secondary | 39 Government - Judicial |
| 07 Performance Facility | 24 School - Vocational/Technical | 40 Govt. - Legislative, House |
| 08 Museum - Art | 48 School of the Arts | 41 Govt. - Legislative, Senate |
| 09 Museum - Other | 26 College/University | 42 Media - Periodical |
| 10 Gallery/Exhibition Space | 25 School - Other | 43 Media - Daily Newspaper |
| 11 Cinema | 27 Library | 44 Media - Weekly Newspaper |
| 12 Independent Press | 28 Historical Soc./Commission | 45 Media - Radio |
| 13 Literary Magazine | 29 Humanities Council/Agency | 46 Media - Television |
| 14 Fair/Festival | 30 Foundation | 47 Cultural Series |
| 15 Arts Center | 31 Corporation/Business | 49 Arts Camp/Institute |
| 16 Arts Council/Agency | 32 Community Service Org. | 50 Social Service Organization |
| 17 Arts Service Organization | 33 Correctional Institution | 51 Child Care Provider |
| 18 Union/Professional Assn. | 34 Health Care Facility | 99 None of the Above |
| 19 School District | 35 Religious Organization | |

SECTION 2 (FOR ORGANIZATIONS AND INDIVIDUALS)

Discipline: Which area best describes your primary activity in the arts? Write the code in the boxes below.

Organizations

Individuals

- | | | |
|--------------------------|----------------------------|-----------------------------------|
| 01 Dance | 05 Visual Arts | 08 Photography/Holography |
| 01A ballet | 05A experimental | 09 Media Arts |
| 01B ethnic/jazz | 05B graphics | 09A film |
| 01C modern | 05D painting | 09B audio/radio |
| 02 Music | 05F sculpture | 09C video |
| 02A band | 06 Design Arts | 10 Literature |
| 02B chamber | 06A architecture | 10A fiction |
| 02C choral | 06B fashion | 10B non-fiction |
| 02D new | 06C graphic | 10C playwriting |
| 02E ethnic | 06D industrial | 10D poetry |
| 02F jazz | 06E interior | 11 Interdisciplinary and |
| 02G popular | 06F landscape architecture | Performance Art (more than |
| 02H solo/recital | 06G urban/metropolitan | one discipline integrated to |
| 02I orchestral | 07 Crafts | form a single work) |
| 03 Opera/Musical Theater | 07A clay | 12 Folk Arts |
| 03A opera | 07B fiber | 13 Humanities |
| 03B musical theater | 07C glass | 14 Multi-Disciplinary (activities |
| 04 Theater | 07D leather | pertaining equally to two or |
| 04A theater - general | 07E metal | more arts disciplines) |
| 04B mime | 07F paper | 15 Non-arts/Non-humanities |
| 04C puppet | 07G plastic | (describe) _____ |
| 04D theater for young | 07H wood | _____ |
| audiences | 07I mixed media | _____ |

SECTION 3 (FOR INDIVIDUALS)

Individual's name _____

Mailing address _____

City _____ State _____ Zip code _____

County _____ Daytime telephone () _____

Check here if you are an artist. (ins = 01)

Check here if you are a non-artist. (ins = 02)

Select as many grant applications or publications as you wish to receive by checking the boxes below:

Applications & Guidelines (app)

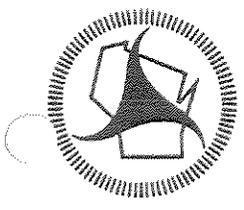
- 01 Artist Fellowship Awards Program
 03 Percent for Art—Direct Purchase
 04 Percent for Art—Commissioning

- 15 Form to list in the WI Touring Artist Directory
 16 Form for listing a fair in the
 Wisconsin Art & Craft Fairs Directory

Publications (pub)

- 01 Down Home Dairyland schedules
 02 Dir. of Statewide Arts Service Organizations
 03 Wisconsin Gallery Listing
 11 Biennial Report
 12 Bulletin (Agency Newsletter)

- 17 Wisconsin Presenters Network Guide
 18 WI Touring Performing Artist Directory
 20 Directory of Wisconsin Local Arts Agencies
 00 Basic Record Keeping Procedures
 00 Arts in the WI Economy: An Economic Impact Study



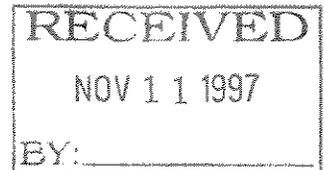
Wisconsin Department of Transportation

Tommy G. Thompson
Governor

Charles H. Thompson
Secretary

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

November 11, 1997



The Honorable Brian Burke
Wisconsin State Senate
Room LL1, 119 Martin Luther King Jr. Blvd
P.O. Box 7882
Madison, WI 53707-7882

The Honorable John Gard
Wisconsin State Assembly
Room 316 North, State Capitol
P.O. Box 8952
Madison, WI 53708-8952

Dear Senator Burke and Representative Gard:

Under Section 9149 of 1997 Wisconsin Act 27 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 1997-99 biennial budget. Those recommendations are due to the committee within 30 days after the effective date of the Act, November 13, 1997.

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 1997 Wisconsin Act 27.

The 1995-97 budget enacted by the legislature included reductions of \$32 million (approximately 6%) for the Department. We implemented those reductions minimizing impacts on the public, despite the fact the magnitude of the reductions went well beyond our ongoing efforts to improve efficiency.

The 2% budget reductions included in the 1997-99 biennial budget, combined with eliminating 11.5 positions vacant for more than 12 months, translates into a total reduction of almost \$9 million. The legislature also included several items from DOT's efficiency plan submitted to the Governor, imposing another \$1 million in base reductions. The impact of all reductions, when combined with base reallocations and unfunded/underfunded items, approaches \$16 million for the biennium. The recommended reallocation of these reductions is critical if the Department is to implement them without serious disruptions in service to the public.

Departmental flexibility in implementation of the reductions is required for several reasons, including but not limited to:

- (1) the time required to realize savings from efficiencies already in progress;
- (2) the reallocations of savings that were included in the agency budget request;
- (3) unfunded or underfunded initiatives included in the budget by the legislature;
- (4) unfunded pay plan.

For years the Department has pursued efficiencies and continuous improvement in our operations. As noted in last year's reduction plan, while authorized positions across all state agencies grew by over 15% for the fifteen year period ending in FY 1994-95, DOT's workforce increased by slightly more than 3% (131 positions) during that period. In the 1995-97 budget -- including implementing the reductions enacted by the legislature, DOT eliminated 111 positions. Reductions in the 1997-99 budget, from the agency request and those imposed by the legislature, will take the agency workforce below that of almost 20 years ago despite dramatic increases in workload.

The budget request submitted by the Department for 1997-99 included no increase in resources for state operations. We were able to forward that request to the Governor and the legislature because we addressed many of our needs for additional resources through reallocating base level funding. For example, a number of initiatives in the Division of Motor Vehicles (DMV) -- including the continued redesign and maintenance of its aging data processing systems for driver licensing and vehicle registration -- were funded by other operational efficiencies included in the budget.

There were also a number of budget items initiated by the legislature which included no funding or insufficient funding to cover the costs of implementation. These are especially difficult to address in the DMV, where the implementation of late fees, temporary plates and daily expiration of registrations will require almost \$900,000 more than provided by the legislature.

As you are aware, the budgetary impact of a pay plan that is not fully funded must also be absorbed by all state agencies. For DOT, this translates into an additional \$2.4 million shortfall that will need to be offset by other reductions in state operations.

The Department remains committed to implementing the reductions while minimizing the impact on our customers. Given all of these factors and the associated impacts, our implementation strategy is relatively straight forward.

Senator Brian Burke and Representative John Gard

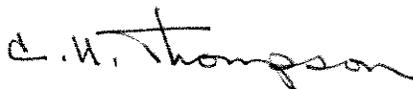
11/10/97

Page 3

- The legislature excluded the Division of State Patrol (DSP) from the reductions. In fact, several new initiatives critical to the operations of this law enforcement division were specifically funded by the Governor and the legislature. No reductions are proposed for reallocation to DSP.
- Department management and operations provide management and support services essential to the operation of the agency and its divisions. Many reductions in these areas further impact division operations and the delivery of programs and services. A portion of these reductions have been reallocated.
- The greatest potential for disruption of services rests with the DMV. Given the disproportionate impact of base reallocations (4% of the division budget), unfunded/underfunded legislative initiatives, and unfunded pay plan on DMV we have reallocated the entire reduction for this appropriation. Even with this reallocation, cost and workload increases may still require additional resources for DMV beyond those authorized in the budget. If remaining shortfalls will result in an emergency, the Department will bring a plan to solve those shortfalls to the committee under s. 13.10 of the statutes at that time.
- Where reductions have been reallocated, we have proposed they be taken in areas where the Department has greater flexibility to implement them. This flexibility rests primarily within the largest modal divisions (Division of Districts and Division of Infrastructure Development). These divisions are now realizing additional savings from their own efficiency plans, savings that will enable them to take some additional reductions without major impacts on their programs or the general public.

Because we have completed one-third of the current fiscal year, the Committee's prompt approval of these recommendations will be appreciated. Please contact Tom Smith, Office of Policy and Budget, (608) 266-1200, if you have any questions.

Sincerely,



Charles H. Thompson

CHT:ts

Attach.

Attachment A
Department of Transportation
Required Transfers Between Appropriations/Fiscal Years
Resulting from 2% Across the Board Reductions and Position Vacancy Reductions
1997-99 Biennial Budget - State Funds

DOT PROGRAMS	DOT APPROP.	APPROPRIATION TITLES	Requested Reallocations		
			FY 98	FY 99	Total
Local Transportation Assistance	2bq	Rail Service Assistance	(3,400)	(3,400)	(6,800)
	2cq	Harbor Assistance	1,600	1,600	3,200
	2dq	Aeronautics Assistance	(30,100)	(30,100)	(60,200)
	2eq	Hwy & Local Bridge Impr. Assist.	2,700	2,700	5,400
		Subtotal	(29,200)	(29,200)	(58,400)
State Highway Facilities	3bq	Major Highway Development	104,400	104,400	208,800
	3cq	State Highway Rehabilitation	(2,538,900)	(2,708,300)	(5,247,200)
	3dq	Hwy Maint., Repair & Traffic Ops	478,400	478,400	956,800
	3iq	Highway Administration	344,500	344,500	689,000
		Subtotal	(1,611,600)	(1,781,000)	(3,392,600)
General Transportation Operations	4aq	Management and Operations	377,100	423,100	800,200
		Subtotal	377,100	423,100	800,200
Motor Vehicle Serv. & Enforcement	5cq	Motor Vehicles Operations	1,226,600	1,226,600	2,453,200
	5dq	State Patrol Operations	0	0	0
	5hq	Emission Inspection Contract Costs	98,800	98,800	197,600
		Subtotal	1,325,400	1,325,400	2,650,800
Department Totals			61,700	(61,700)	0



**WISCONSIN
PUBLIC
DEFENDER**

Nicholas L. Chiarkas
STATE PUBLIC DEFENDER

Frederick H. Miller
DEPUTY STATE PUBLIC DEFENDER

Virginia A. Pomeroy
LEGAL COUNSEL

Arlene F. Banoul
ADMINISTRATIVE DIRECTOR

Marla J. Stephens
APPELLATE DIRECTOR

Marcus T. Johnson
ASSIGNED COUNSEL DIRECTOR

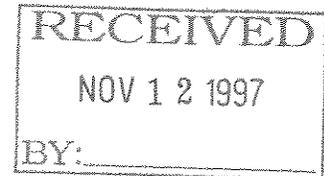
Thomas E. Dixon
TRAINING DIRECTOR

Michael Tobin
TRIAL DIRECTOR

15 N. HENRY STREET
SECOND FLOOR
P.O. BOX 7923
MADISON, WI 53707-7923
(608) 266-0087
FAX: (608) 267-0584

Date: November 11, 1997

To: Mark D. Bugher, Secretary
Department of Administration
101 East Wilson Street,
Madison, Wisconsin 53702



Senator Brian B. Burke, Co-Chair
Joint Finance Committee
119 Martin Luther King, Jr. Boulevard, LL1
Madison, Wisconsin 53702

Representative John Gard, Co-Chair
Joint Finance Committee
State Capitol, Room 315 North
Madison, Wisconsin 53702

From: Nicholas L. Chiarkas *N.L.C.*
State Public Defender

Subject: Report Regarding 1997-99 Budget Efficiency Measures

Act 27, Laws of 1997, includes a provision requiring the State Public Defender to:

"No later than the 30th day beginning after publication, the public defender board shall submit a report to the governor and to the joint committee on finance recommending how reductions in fiscal year 1997-98 of \$816,900 and in fiscal year 1998-99 of \$987,600, resulting from budgetary efficiency measures, should be allocated among sum certain appropriations made to the public defender board from general purpose revenue."

This report, due by November 13, 1997, is submitted in compliance with this provision.

In Brief

In recognition of the underfunding of the SPD and the lack of real alternatives for the SPD to generate the remainder of its budget, the State Budget Office (SBO) at the Department of Administration (DOA) has agreed to seek part or all of the additional funding through a §13.10 or budget adjustment bill in January 1998.

In addition, the agency requests that the budgeted reductions be transferred from §20.550 (1)(c) to §20.550 (1)(d), in both years of the biennium.

Background

The State Public Defender's (SPD) response to the current "budget efficiencies" must be analyzed in the historical context of the agency's funding in the 1995-97 Biennium. Due to a number of legislative changes, the SPD's 1995-97 Biennial Budget began the biennium with a projected deficit of \$18,426,100. This deficit represented a 25% reduction in GPR from the 1993-95 biennium.

Through a number of agency cost saving measures, the agency's deficit was reduced to \$2,335,700. These cost saving measures included a collection program, stricter eligibility verification, and the creation of paralegal and regional administrator positions to relieve staff attorneys of non attorney workload.

The Executive Branch fully supported the agency's request to fully fund the remaining \$2.3 million deficit, acknowledging that the agency had done everything possible to reduce the deficit. The Co-chairs of Joint Finance also supported the request by calling a \$13.10 meeting. At the meeting held on February 12, 1997, the Committee unanimously approved a supplement of \$2,335,700 GPR for the SPD which fully funded the agency's budget.

Ironically, the next order of business at that Joint Finance meeting was to introduce the 1997-99 Biennial Budget which immediately put the SPD budget back in deficit. The bill contained a provision of SPD "unspecified budget reductions" of \$816,900 GPR in FY98 and \$987,600 GPR in FY99, for a biennial total of \$1,804,500. Prior to the 1997-99 budget introduction, the SPD had been assured that the agency would have a "status quo" budget, in recognition of all the cutbacks that had been implemented in the prior biennium.

Current Biennial Deficit

The SPD's full budget deficit must be reviewed to determine the agency's capability to fund the \$1.8 million cutback. The agency has additional financial constraints that compound the problem of the 2% reductions. These constraints are itemized below:

\$1,804,500

Budget Efficiency Measures

If the District Attorney (DA) budget is funded for their budget efficiency measures, the SPD will be the only justice agency required to comply with this reduction. In addition, if the SPD had been treated like the University System, the cutback would have only been applied to its administrative appropriation, and its reduction would have been approximately \$50,000 for the biennium. See Chart A.

\$2,913,100

Underfunded Compensation Plan

The State's compensation plan reserve will not cover the cost of approved raises. Although agencies were informed during the budget process that this problem existed, the SPD was only recently told that it will also have to absorb the cost of the attorney's pay plan increase that is above the budgeted amount.

\$1,330,000

Mandated Turnover Savings

The agency is required to lapse 3% of its Trial Division salary line because it has more than 50 FTEs in the appropriation. The SPD has requested an exemption or reduction of this turnover per cent in the past because it forces the agency to hold attorney vacancies open, which increases private bar costs. Although the SBO has not granted the SPD an exception, it appears that the DA turnover reduction is only calculated on the base salaries of the Milwaukee District Attorney office, because it is their only "office" with more than 50 FTEs. Consequently, the SPD should be measured by the same "office" standard, that is only apply turnover to the SPD Milwaukee Trial office, which is the only SPD office with more than 50 FTEs. If the SPD were treated comparably, the agency's turnover reduction would be approximately \$180,000 for this biennium.

\$436,000

Computer Maintenance

The SPD will spend \$636,000 on computer maintenance and electronic research services during the biennium. This is represented as a deficit because the agency's computers and resources were transferred to the Bureau of Justice Information Systems (BJIS) with the Department of Administration. BJIS has agreed to provide only \$100,000 in maintenance costs annually, which reduces the agency cost to \$436,000. It should be noted that BJIS fully funds these services for the DAs.

\$6,483,600

Total SPD Deficit for 1997-99 Biennium- This represents a 5.5% reduction in the SPD 1997-99 Biennial Budget.

In addition to these known deficit costs, the SPD's deficit may increase further due to the authorization of 14 more Assistant District Attorneys (ADAs) FTEs in the budget. The SPD has documented a direct connection between additional DAs and increased SPD caseload. The critical factor in SPD workload increase associated with ADAs is the degree to which the new ADAs file additional criminal charges. Depending on whether the ADAs increase filings by 25% to 75%, we estimate that these new positions could increase SPD private bar costs from \$538,300 to \$1,615,000 for the biennium. The briefing paper supporting this conclusion is attached.

Prior to the imposition of these additional budget constraints, the SPD felt that it could maintain its status quo budget through the biennium without a deficit. Obviously, however, the magnitude of the overall deficit now requires a different strategy.

Alternatives

The SPD has maximized the savings generated from the budget initiatives of the 1995-97 Biennium. Given this situation, all the alternatives available for cost reduction have serious ramifications. Because of the additional SPD financial constraints described above, the agency's actual deficit is \$6.4 million. Potential solutions for funding the deficit must address the full \$6.4 million deficit.

The SPD provides representation to indigents through staff and private bar attorneys in Constitutionally and Statutorily required cases. These services must be provided regardless of budget limitations. Therefore, if the SPD reduces staff costs through layoffs, the representation would continue to be provided by more expensive private bar attorneys. If the SPD changes its eligibility standards to reduce the total number of cases, counties will be required to fund representation at reimbursement rates that are higher than the SPD's. Because judges believe SPD standards are already too low, most counties are presently paying for indigent defense. Therefore, if the SPD reduces eligibility standards, the State costs of indigent defense will actually shift to the counties.

SUMMARY

Funding Proposal

Because the deficit reduction alternatives do not appear to be feasible, the agency has met with the SBO to discuss the need for restoration of SPD funding. The SPD will, of course, continue to capture savings wherever possible, but it is highly unlikely that the SPD could regain much of the \$6.4 million deficit. Furthermore, there appears to be a strong possibility that the addition of 14 ADAs will increase the agency's private bar costs.

It appears that there is support for the restoration of the deficit and plan to request additional funding in January 1998, either through a §13.10 meeting, or through a budget adjustment bill. If this is not achieved, the SPD will work with the SBO to determine the best alternative for the agency to pursue.

Allocation of Budget Reductions

When the "unspecified budget reductions" were implemented in the Budget, they were taken from the agency's Trial Division appropriation. The Budget included language to allow the SPD to allocate the reductions within its appropriations in this report. Because of this, the agency requests that this \$1,804,500 of cutbacks be transferred from the trial representation appropriation (§20.550(1)(c)) to the private bar appropriation (§20.550 (1)(d)). The agency also expects that the remaining deficit will eventually be transferred to the private bar appropriation.

c: Members, Joint Committee on Finance

Chart A

Analysis of DOA's Required 2% Lapse of Wisconsin's Seven Justice System Agencies

Our Seven Justice System Agencies	1997-99		1997-99 General Operations	Amount Required	
	Total Budget			to be Returned to DOA	if 2% of General Operations
Corrections	1,366,291,800		504,552,700	0	10,091,100
Circuit Courts	131,075,000		87,837,500	0	1,756,800
Court of Appeals	12,397,600		12,359,200	0	247,200
Supreme Court	35,187,100		17,653,200	0	353,100
District Attorneys*	62,537,700		61,763,800	0	1,235,300
Justice	12,446,800		32,379,700	0	647,600
State Public Defender	117,532,100		2,528,700	1,804,500	50,600
*District Attorney required lapse of \$1,158,400 will be restored by separate legislation.					