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To: Joint Committee on Finance
From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE**Special Prosecutors (District Attorneys)**

[LFB Summary: Page 206, #5]

CURRENT LAW

A court may appoint a special prosecutor on its own motion to perform the same duties as a district attorney. In addition, a district attorney may request that the court appoint a special prosecutor to assist the district attorney in a prosecution, grand jury or John Doe proceeding or investigation. Conditions under which a special prosecutor may be appointed include: (1) there is no district attorney; (2) the district attorney is absent; (3) the district attorney has a conflict of interest; (4) the district attorney is unable to attend to his or her duties; (5) the district attorney is serving in the armed forces; or (6) the district attorney is charged with a crime. Special prosecutors are funded under the supplies and services line of the DAs' salaries and fringe benefits appropriation. Base funding for supplies and services is \$167,800 GPR, which includes funding for special prosecutors in addition to other expenses, such as risk management costs, workers compensation and other miscellaneous expenses.

GOVERNOR

Provide \$32,200 annually for additional funding for special prosecutors.

DISCUSSION POINTS

1. Special prosecutors are intended to assist district attorney offices in durations of temporary need for prosecutorial staff resulting from special circumstances within the office (for example, the DA is ill or a conflict of interest exists). Appointments that are expected to exceed six hours per case require the DA to first request assistance from other prosecutorial units or an assistant attorney general, prior to appointment of a special prosecutor. If that assistance is unavailable, a special prosecutor may be appointed.

2. Special prosecutor expenses have been steadily increasing over the years. Historical expenses for special prosecutors over the last five years, and projected expenditures for this fiscal year, are shown below.

	<u>1991-92</u>	<u>1992-93</u>	<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97(est)</u>
Expenditures	\$115,500	\$207,300	\$222,000	\$251,800	\$434,100	\$441,500
Percent Change		79.4%	7.1%	13.4%	72.4%	1.7%

2. The majority of prosecutorial units make only limited use of special prosecutors. (Each county is a prosecutorial unit, except Shawano and Menominee counties form one unit). In 1995-96, 11 counties accounted for almost 98% of total fiscal year expenditures.

<u>County</u>	<u>1995-96 Expenses</u>	<u>Total Expenses from 1990-91 thru April 9, 1997</u>
Brown	\$123,500	\$263,700
Marinette	13,600	247,900
Racine	46,500	180,700
Columbia	65,400	152,500
Forest	19,400	119,800
Lincoln	64,800	103,500
Monroe	32,500	76,000
Oconto	7,100	60,600
Rock	10,100	52,200
Pepin	27,400	47,200
Vilas	<u>13,900</u>	<u>40,600</u>
Total	\$424,200	\$1,344,700

3. These same counties have accounted for over 77% of special prosecutor expenses since 1990-91. It would appear that these offices are increasingly using special prosecutors on a more permanent basis to assist with caseload, rather than as a result of a special circumstance. In 1995-96, almost 73% of court orders for special prosecutors noted the reason for appointment as caseload, or related to caseload. This was the case for almost all of the appointments for the counties above, with the exception of Marinette County, for which reasons for appointment were not available.

4. It should be noted that special prosecutor appointments are court-ordered; therefore, the judge makes the ultimate determination on whether an appointment should be made. While it is important to maintain the judge's authority to appoint a prosecutor when he or she feels it is necessary, it is clear, at least for the above counties, that appointments are not being made on an individual, case-by-case basis.

5. As noted above, DA base funding for supplies and services, which funds special prosecutors, totals \$167,800. However, actual special prosecutor expenditures totalled \$434,100 in 1995-96. The DAs have been able to absorb these expenses by transferring funds from salary and fringe benefits. These salary and fringe benefit savings resulted from position vacancies.

6. Under Department of Administration budget guidelines, a reduction of 3% is taken on all adjusted base permanent salaries for appropriations funding more than 50 full-time equivalent (FTE) permanent positions to reflect turnover savings. DAs are not subject to the turnover savings required of other agencies with more than 50 FTE positions. This is because each DA office (with the exception of Milwaukee County) has less than 50 FTE positions and is counted separately for the purposes of the turnover requirement (including Milwaukee County).

7. While it is true that each of the 71 DA offices operates separately, the salaries are paid out of one appropriation. In addition, it is clear from the funding available for special prosecutor costs that turnover savings are being realized. If the 3% turnover requirement was applied to DAs, it would amount to \$658,000 annually. However, it may not be reasonable to apply turnover reductions to offices headed by elected officials that operate separately and have less than 50 FTE positions. Since Milwaukee County has 99 FTE positions, it could be argued that turnover savings of 3% should be applied to the Milwaukee County DA office. This would total \$163,200 annually. These savings could be generated from any of the 71 DA offices.

8. Therefore, the \$32,200 provided under the bill for special prosecutors could be offset by \$163,200 in savings from DA turnover. However, based on the current usage of special prosecutors, costs may exceed the \$200,000 annually for supplies and services under the bill.

9. The statutory provisions relating to special prosecutors were not intended to be used for general workload purposes. However, special prosecutors are currently being hired to supplement permanent staff under the statutory provision which allows appointment if the DA is unable to attend to his or her duties. Therefore, the Committee may want to consider

restricting this provision by specifying that the DA must be physically unable to attend to his or her duties, or has a mental incapacity. "Mental incapacity" could be defined as a condition which impairs the DA's ability to substantially perform his or her duties.

10. In 1995-96, total special prosecutor costs not related to caseload totalled \$117,600. Therefore, with the additional funding provided under the bill, funding should be sufficient to cover special prosecutor costs not related to caseload. However, there may continue to be appointments of special prosecutors under those circumstances in which unexpected workload, such as a lengthy homicide trial, would require additional office assistance which could not be anticipated. Turnover savings from DA offices, other than the Milwaukee County office, would still be available to offset these costs.

11. It should be noted that a few of the counties using special prosecutors on an on-going basis could reduce those costs if provided with additional assistant DA positions. The average hourly payment for special prosecutors is \$38 in 1996-97, compared to the starting hourly wage of an ADA of \$24. However, there are counties which, based on weighted caseload levels, have greater need for additional ADAs than some of the counties routinely using special prosecutors. Therefore, the provision of additional ADAs should be considered separately from the use of special prosecutors.

ALTERNATIVES TO BILL

1. Approve the Governor's recommendation to provide \$32,200 annually for special prosecutor costs.

2. Provide \$32,200 annually for additional funding for special prosecutors. In addition, delete \$163,200 annually from DAs' salaries to reflect turnover savings.

Alternative 2	GPR
1997-99 FUNDING (Change to Bill)	- \$326,400

3. Maintain current law.

Alternative 3	GPR
1997-99 FUNDING (Change to Bill)	- \$64,400

4. In addition to any of the above, modify the statutory provision which allows appointment of a special prosecutor if the DA is unable to attend to his or her duties, to specify that appointment of a special prosecutor is allowed if the DA is physically or mentally unable

to attend to his or her duties, or has a mental incapacity. Define "mental incapacity" as a condition which impairs the DA's ability to substantially perform his or her duties.

Prepared by: Carri Jakel

MO# AH 2+4

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
1 OURADA	Y	N	A
HARSDORF	Y	N	A
2 ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 16 NO 0 ABS _____

To: Joint Committee on Finance
From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Additional Prosecutors (District Attorneys)

CURRENT LAW

Under current law, District Attorneys are authorized 369.0 full-time equivalent (FTE) positions, as of July 1, 1997.

GOVERNOR

No provision.

DISCUSSION POINTS

1. Counties requested a total of 62.2 additional prosecutor positions for the 1997-99 biennium. The Governor did not address any caseload-related requests in the budget bill. Instead, the Governor would provide 4.0 additional project assistant district attorney (ADA) positions for sex predator workload, and 1.0 additional project ADA position for statutory rape prosecutions. In addition, the bill would eliminate 2.0 program revenue-funded ADA positions in Milwaukee County, for which funding expires in 1997-99 (one related to DNA prosecutions and one related to anti-drug abuse prosecutions). [The Governor's recommendations on the 5.0 additional positions are addressed separately.]

2. Department of Administration officials indicate that part of the reason that requests for additional prosecutors were not addressed is that the bill would provide for additional automation of DA offices. This is expected to make prosecutors more productive and reduce the need for additional positions.

3. In response to the substantial requests by counties in the past and questions regarding the existing prosecutorial caseload management, the Legislative Audit Bureau (LAB) reviewed the methodology used to measure prosecutorial caseload and recommended changes to improve the methodology (released December, 1995). The LAB recommended that once a more accurate case measurement system was developed, a productivity standard should be created for DAs to determine the time that a prosecutor has available to prosecute cases (similar to the method used to determine judicial resources).

4. In response to the LAB report, the State Prosecutors Office, in conjunction with the Wisconsin District Attorneys Association (WDAA), reviewed available data and surveyed district attorneys to estimate the average time needed to prosecute different types of cases. (The WDAA is an association of state district attorneys which meets to discuss various issues that affect DAs.) The revised prosecutor need analysis assigns the following times to case types:

<u>Type of Case</u>	<u>Average Hours Required</u>
Class A Homicide	100.00
Class B Homicide	100.00
Other Felony	8.49
Misdemeanor	2.17
Delinquency	3.32
Children in Need of Protection or Services	2.61
Criminal Traffic	1.68
Termination of Parental Rights	7.00
Writ of Habeas Corpus	2.00
Inquest	64.00

5. As shown above, the weighted caseload measurement does not include sexual predator cases. Therefore, sexual predator cases are not addressed as part of a county's overall need for additional prosecutors. (The issue of sexual predator prosecutors is addressed in paper #345.)

6. A "time available" standard for prosecutors was also estimated through a district attorney survey. The analysis assumes that, on average, each prosecutor has 1,227 hours per year to prosecute cases. This is based on 2,088 total hours per position less: (a) an average of 300 hours annually for holiday, personal, sick and vacation time; and (b) an average of 561 hours annually for other prosecutorial duties such as administration, John Doe proceedings, post-conviction hearings, training, review of referrals not charged, search warrants, wage claims, public records, probation revocations and community services.

7. The analysis using the revised methodology was completed in September, 1996, after counties had submitted their budget requests. The attachment to this paper indicates the results of this analysis using average case filings for 1993-95. The attachment shows, by county,

the currently authorized number of prosecutors, the estimated number of positions needed to prosecute the county's average 1993-95 caseload, and the current workload for each prosecutor.

8. Based on this analysis, there is a net need for approximately 25 additional assistant district attorney positions. This includes 34 prosecutorial units with a total need of 51.57 FTE, and 37 prosecutorial units with a combined need of -26.26 FTE (each county is its own prosecutorial unit, except for Shawano and Menominee).

9. It should be noted that this analysis makes a number of assumptions which may not apply to all offices. For instance, single DA offices have unique challenges. Larger offices may have more staff to perform administrative and investigative duties, so that DAs in those counties have more time to prosecute cases. Further, there may be different practices among counties which would not be reflected in this type of analysis. However, despite such problems, the analysis takes into account a number of the improvements suggested by the LAB and can be used as a general measurement for ADA need.

10. Members of the WDAA have publicly supported the addition of 47.0 prosecutors over the biennium. It should be noted that the WDAA analysis is based on 1995 case filings (rather than the average of 1993-95 case filings, as recommended by the LAB), and that only counties which requested positions were considered for additional positions. The WDAA analysis and requested positions are shown in the first four columns of the table below. The cost of this proposal would total \$1,291,500 GPR in 1997-98 and \$2,312,400 GPR in 1998-99.

County	Current FTE	Additional Positions Needed Using	WDAA Recommendations		Additional Positions Needed Using	Adjusted WDAA Recommendations	
		1995 Data	1997-98	1998-99	1993-95 Data	1997-98	1998-99
Milwaukee	99.0	24.20	12.0	12.0	13.33	12.0	12.0
Dane	29.0	4.96	4.0	7.0	3.55	4.0	4.0
Racine	15.5	5.10	2.0	4.0	6.21	2.0	4.0
Rock	12.5	4.81	2.0	4.0	3.70	2.0	4.0
Brown	9.0	3.00	2.0	3.0	1.97	2.0	2.0
Eau Claire	6.0	3.74	2.0	3.0	3.05	2.0	3.0
Marathon	6.0	2.61	2.0	2.5	1.75	2.0	2.0
La Crosse	6.0	2.37	1.0	2.0	2.49	1.0	2.0
Sawyer	1.0	1.66	1.0	1.5	1.18	1.0	1.0
Outagamie	8.0	1.17	1.0	2.0	0.96	1.0	1.0
Monroe	2.0	.82	1.0	1.0	1.07	1.0	1.0
Grant	2.0	.87	0.5	0.5	0.53	0.5	0.5
Sauk	4.0	.76	0.5	0.5	0.46	0.5	0.5
Chippewa	2.5	.65	0.5	0.5	0.74	0.5	0.5
Sheboygan	7.0	.60	0.5	0.5	0.34	0.0	0.0
Marinette	2.0	.45	0.5	0.5	0.67	0.5	0.5
Adams	1.0	.44	0.5	0.5	0.23	0.0	0.0
Jefferson	4.8	.40	0.5	0.5	0.86	0.5	0.5
Washburn	1.0	.27	0.5	0.5	0.15	0.0	0.0
Green Lake	1.0	.12	0.5	0.5	0.13	0.0	0.0
Taylor	1.0	.12	0.5	0.5	-0.06	0.0	0.0
Total	220.3	59.12	35.0	47.0	43.38	32.5	38.5

11. The LAB recommended using a three-year average of case filings to even out fluctuations in caseloads which occur from year to year. The WDAA argues that using only 1995 data better reflects workload demands. However, the WDAA analysis does not take into account yearly fluctuations. Therefore, the last three columns of the table above show positions needed using 1993-95 data and adjust the WDAA recommendations based on that analysis. As shown above, 8.5 positions recommended by the WDAA cannot be justified using the 1993-95 caseload data. The cost of an adjusted WDAA proposal would be \$1,199,300 GPR and 32.5 positions in 1997-98 and \$1,894,200 GPR and 38.5 positions in 1998-99.

12. The weighted caseload measurement is based on attorneys working full-time less vacation, sick leave and holidays. This assumes that each prosecutor handles 100% of a caseload. Column three of the attachment shows the average caseload per prosecutor in each county. According to this analysis, caseloads in a number of counties require prosecutors to handle more cases than they have "time" to handle based on the "time available" analysis. For example, in Milwaukee County, each prosecutor, on average, handles 113% of the caseload they have "time" to handle, based on the LAB methodology and the average number of cases filed in 1993-95. In Eau Claire County, prosecutors handle 151% of caseload levels and in Sawyer County, the prosecutor handles more than twice the caseload a full-time position would have "time" to do.

13. Given the limited GPR funding available, the Committee may wish to consider adding fewer positions than what the 100% standard would indicate. The Committee could use this analysis to provide additional positions to counties which have the highest caseloads per prosecutor. For example, the table below indicates, for counties for which the WDAA requested positions, the number of additional ADAs that would be required so that no county requesting positions would average more than 110% of caseload per prosecutor. This would require 14.5 additional prosecutors in 1997-98 and 19.5 positions in 1998-99, at a cost of \$535,100 in 1997-98 and \$959,400 in 1998-99.

	Need Based on 110%	Additional Positions Using 110% of Caseload	
		1997-98	1998-99
Sawyer	0.98	1.0	1.0
Eau Claire	2.64	1.0	2.5
Monroe	0.79	1.0	1.0
La Crosse	1.72	1.0	1.5
Racine	4.24	2.0	4.0
Marinette	0.43	0.5	0.5
Chippewa	0.45	0.5	0.5
Marathon	1.05	1.0	1.0
Grant	0.30	0.5	0.5
Rock	2.02	1.0	2.0
Brown	0.97	1.0	1.0
Jefferson	0.35	0.5	0.5
Milwaukee	3.12	3.0	3.0
Dane	0.59	<u>0.5</u>	<u>0.5</u>
Total		14.5	19.5

14. If the Committee were to approve additional positions based on 115% of caseload, the number of positions provided would be 7.5 positions in 1997-98 and 10.5 in 1998-99, as shown below. The cost of this proposal would total \$276,800 in 1997-98 and \$516,600 in 1998-99.

	Need Based on 115%	Additional Positions Using 115% of Caseload	
		1997-98	1998-99
Sawyer	0.90	1.0	1.0
Eau Claire	2.26	1.0	2.0
Monroe	0.67	0.5	0.5
LaCrosse	1.38	1.0	1.0
Racine	3.38	1.0	3.0
Marinette	0.32	0.5	0.5
Chippewa	0.32	0.5	0.5
Marathon	0.74	0.5	0.5
Rock	1.26	1.0	1.0
Brown	0.54	0.5	0.5
Total		7.5	10.5

15. The above proposals do not take into account counties which, using the revised weighted caseload methodology, appear to be overstaffed. Given the large variability in need among counties, as shown in the attachment, it could be argued that the current assignment of resources is not efficient and some reassignment should occur.

16. Therefore, the Committee could consider requiring DOA to transfer position authority from a county which has a negative need for positions to a county with a positive need for positions, if: (a) a vacancy in an assistant DA position occurs in a county that has a negative need; (b) following the transfer, the county losing the position does not indicate a need for positions based on the weighted caseload measurement; and (c) the recipient county requested additional resources for 1997-99. This approach would allow for a more efficient and equitable distribution of existing prosecution resources statewide.

17. It should be noted that the Office of Justice Assistance recently released figures indicating a reduction in the number of violent crimes in Wisconsin (including murder, forcible rape, robbery, aggravated assault, burglary, theft, motor vehicle theft and arson). Based on these statistics, violent crime has decreased annually since 1991 (from a total of 222,909 in 1991 to 198,640 in 1996). Therefore, it could be argued that if serious crimes are decreasing, so should the need for additional prosecutors.

ALTERNATIVES TO BILL

1. Provide \$1,291,500 GPR and 35.0 assistant district attorney positions in 1997-98 and \$2,312,400 GPR and 47.0 assistant district attorney positions in 1998-99. Under this alternative, the following counties would receive positions (annually, unless noted): Milwaukee (12.0), Dane (4.0 in 1997-98 and 7.0 in 1998-99), Racine (2.0 in 1997-98 and 4.0 in 1998-99), Rock (2.0 in 1997-98 and 4.0 in 1998-99), Brown (2.0 in 1997-98 and 3.0 in 1998-99), Eau Claire (2.0 in 1997-98 and 3.0 in 1998-99), Marathon (2.0 in 1997-98 and 2.5 in 1998-99), La Crosse (1.0 in 1997-98 and 2.0 in 1998-99), Sawyer (1.0 in 1997-98 and 1.5 in 1998-99), Outagamie (1.0 in 1997-98 and 2.0 in 1998-99), Monroe (1.0), Grant (0.5), Sauk (0.5), Chippewa (0.5), Sheboygan (0.5), Marinette (0.5), Adams (0.5), Jefferson (0.5), Washburn (0.5), Green Lake (0.5) and Taylor (0.5).

<u>Alternative 1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$3,603,900
1998-99 POSITIONS (Change to Bill)	47.00

2. Provide \$1,199,300 GPR and 32.5 assistant district attorney positions in 1997-98 and \$1,894,200 GPR and 38.5 assistant district attorney positions in 1998-99 to adjust the WDAAs recommendation for average 1993-95 caseload. Under this alternative, the following counties would receive positions (annually, unless noted): Milwaukee (12.0), Dane (4.0), Racine (2.0 in 1997-98 and 4.0 in 1998-99), Rock (2.0 in 1997-98 and 4.0 in 1998-99), Brown (2.0), Eau Claire (2.0 in 1997-98 and 3.0 in 1998-99), Marathon (2.0), La Crosse (1.0 in 1997-98 and 2.0 in 1998-99), Sawyer (1.0), Outagamie (1.0), Monroe (1.0), Grant (0.5), Sauk (0.5), Chippewa (0.5), Marinette (0.5) and Jefferson (0.5).

<u>Alternative 2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$3,093,500
1998-99 POSITIONS (Change to Bill)	38.50

3. Provide \$535,100 and 14.5 assistant district attorney positions in 1997-98 and \$959,400 and 19.5 assistant district attorney positions in 1998-99. Under this alternative, the following counties would receive positions (annually, unless noted): Sawyer (1.0), Eau Claire (1.0 in 1997-98 and 2.5 in 1998-99), Monroe (1.0), La Crosse (1.0 in 1997-98 and 1.5 in 1998-99), Racine (2.0 in 1997-98 and 4.0 in 1998-99), Marinette (0.5), Chippewa (0.5), Marathon (1.0), Grant (0.5), Rock (1.0 in 1997-98 and 2.0 in 1998-99), Brown (1.0), Jefferson (0.5), Milwaukee (3.0) and Dane (0.5).

<u>Alternative 3</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$1,494,500
1998-99 POSITIONS (Change to Bill)	19.50

4. Provide \$276,800 and 7.5 assistant district attorney positions in 1997-98 and \$516,600 and 10.5 assistant district attorney positions in 1998-99. Under this alternative, the following counties would receive positions (annually, unless noted): Sawyer (1.0), Eau Claire (1.0 in 1997-98 and 2.0 in 1998-99), Monroe (0.5), La Crosse (1.0), Racine (1.0 in 1997-98 and 3.0 in 1998-99), Marinette (0.5), Chippewa (0.5), Marathon (0.5), Rock (0.5) and Brown (0.5).

<u>Alternative 4</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$793,400
1998-99 POSITIONS (Change to Bill)	10.50

5. Take no action.

6. In addition to any of the above alternatives, require DOA to transfer position authority from a county that is overstaffed to a county that is understaffed, as defined by the revised weighted caseload methodology, under the following conditions: (a) a vacancy in an assistant DA position occurs in the county that is overstaffed; (b) following the transfer, the county losing the position does not show a need for additional ADAs based on the weighted caseload measurement; and (c) the county receiving the positions requested additional position authority for 1997-99.

MO# Alt 3

MO# Alt 4

Prepared by: Carri Jakel

1	BURKE	Y	N	A
2	DECKER	Y	N	A
	GEORGE	Y	N	A
	JAUCH	Y	N	A
	WINEKE	Y	N	A
	SHIBILSKI	Y	N	A
	COWLES	Y	N	A
	PANZER	Y	N	A
	JENSEN	Y	N	A
	OURADA	Y	N	A
	HARSDORF	Y	N	A
	ALBERS	Y	N	A
	GARD	Y	N	A
	KAUFERT	Y	N	A
	LINTON	Y	N	A
	COGGS	Y	N	A

	BURKE	Y	N	A
	DECKER	Y	N	A
	GEORGE	Y	N	A
	JAUCH	Y	N	A
	WINEKE	Y	N	A
	SHIBILSKI	Y	N	A
2	COWLES	Y	N	A
	PANZER	Y	N	A
	JENSEN	Y	N	A
	OURADA	Y	N	A
	HARSDORF	Y	N	A
	ALBERS	Y	N	A
1	GARD	Y	N	A
	KAUFERT	Y	N	A
	LINTON	Y	N	A
	COGGS	Y	N	A

AYE 8 NO 8 ABS _____

AYE 10 NO 6 ABS _____

ATTACHMENT

District Attorney Weighted Caseload Using 1993-95 Average Cases Filed

	<u>Current Positions</u>	<u>Additional Positions Needed</u>	<u>Current Prosecutor Workload</u>		<u>Current Positions</u>	<u>Additional Positions Needed</u>	<u>Current Prosecutor Workload</u>
Sawyer	1.00	1.18	218%	Clark	2.00	-0.10	95%
Monroe	2.00	1.07	154	Juneau	2.00	-0.11	94
Manitowoc	4.00	2.10	153	Taylor	1.00	-0.06	94
Eau Claire	6.00	3.05	151	Douglas	3.50	-0.22	94
La Crosse	6.00	2.49	142	Walworth	5.00	-0.38	92
Racine	15.50	6.21	140	Lincoln	2.00	-0.20	90
Forest	0.60	0.23	139	Door	2.00	-0.21	89
Winnebago	8.00	3.00	137	Kenosha	13.00	-1.48	89
Marinette	2.00	0.67	133	Bayfield	1.00	-0.12	88
Rock	12.50	3.77	130	Waupaca	4.00	-0.56	86
Chippewa	2.50	0.74	130	Calumet	2.00	-0.30	85
Marathon	6.00	1.75	129	Dodge	4.00	-0.68	83
Grant	2.00	0.53	127	Waushara	1.50	-0.26	82
Burnett	1.00	0.24	124	Portage	4.00	-0.77	81
Adams	1.00	0.23	123	Green	2.00	-0.40	80
Fond du Lac	5.00	1.11	122	Buffalo	1.00	-0.21	79
Brown	9.00	1.97	122	Trempealeau	1.60	-0.34	79
Jefferson	4.80	0.86	118	Dunn	3.50	-0.76	78
Ashland	1.50	0.25	117	Barron	3.00	-0.68	77
Washburn	1.00	0.15	115	Price	1.00	-0.24	76
Milwaukee	99.00	13.33	113	Vilas	2.00	-0.52	74
Oneida	2.00	0.26	113	Florence	0.50	-0.15	70
Green Lake	1.00	0.13	113	Crawford	1.00	-0.33	67
Dane	29.00	3.55	112	Waukesha	18.50	-6.12	67
Outagamie	8.00	0.96	112	Richland	1.75	-0.60	65
Sauk	4.00	0.46	111	Rusk	1.50	-0.58	62
Shawano/				Kewaunee	1.50	-0.65	57
Menominee	3.00	0.33	111	Iowa	1.75	-0.76	56
Langlade	1.50	0.15	110	St. Croix	6.00	-2.81	53
Columbia	3.00	0.28	109	Jackson	2.00	-0.95	53
Sheboygan	7.00	0.34	105	Pierce	3.00	-1.57	48
Ozaukee	3.00	0.06	102	Pepin	0.60	-0.32	47
Oconto	1.50	0.03	102	Vernon	2.40	-1.28	47
Wood	4.00	0.05	101	Iron	1.00	-0.63	37
Polk	2.00	0.02	101	Lafayette	1.00	-0.66	34
Washington	5.00	-0.18	96				
Marquette	1.00	-0.04	96	Net Total Positions Needed		25.31	

DISTRICT ATTORNEYS

Motion:

Move that one of the Attorney positions provided under Alternative 4 of LFB Paper #345 be assigned to Brown County rather than the Office of the Attorney General.

MO# Motion 1064

BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
GEORGE	<input checked="" type="radio"/>	N	A
JAUCH	<input checked="" type="radio"/>	N	A
WINEKE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
2 COWLES	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	A
JENSEN	<input checked="" type="radio"/>	N	A
OURADA	<input checked="" type="radio"/>	N	A
HARSDORF	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
1 GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	Y	<input checked="" type="radio"/>	A
COGGS	Y	<input checked="" type="radio"/>	A

AYE 14 NO 2 ABS 0

DISTRICT ATTORNEYS

LFB Summary Items for Which No Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1	Standard Budget Adjustments
4	Continued Funding for Anti-Drug Prosecutors
6	Milwaukee County Drug and Violent Crimes Court Clerks

LFB Summary Item to be Addressed in a Subsequent Paper

<u>Item #</u>	<u>Title</u>
7	Information Technology

Educational Communications Board

(LFB Budget Summary Document: Page 208)

LFB Summary Item for Which Issue Papers Have Been Prepared

Item #

Title

2

Transfer of Certain Distance Education Functions (see Paper #790)

AGENCY: EDUCATIONAL COMMUNICATIONS BOARD

Comments: Paper 790 was considered under TEACH

For items that LFB didn't prepare papers, no action needed..

AGENCY: EDUCATIONAL COMMUNICATIONS BOARD

Comments: Paper 790 was considered under TEACH

For items that LFB didn't prepare papers, no action needed..

EDUCATIONAL COMMUNICATIONS BOARD/
ADMINISTRATION/BUILDING PROGRAM

Emergency Weather Service

Motion:

Move to provide \$40,800 PR in 1997-98 and \$57,400 PR in 1998-99 from DOA's telecommunications and data processing services appropriation for operating funds for the proposed emergency weather warning system. Create a separate, annual program revenue appropriation in ECB for the receipt and expenditure of these funds. Specify that the DOA appropriation account would provide the amounts specified in the appropriation schedule for operation of the emergency weather warning system.

Note:

The proposed 1997-99 capital budget includes \$308,600 in general fund supported, general obligation bonding for an ECB emergency weather warning system which would be located in southern Rock County, Fond du Lac, Sheboygan, Bloomington and Ashridge. This motion would provide funding from DOA's appropriation for telecommunications and data processing services for tower and interconnection leases and monitoring required by the Federal Communications Commission. The motion also creates a new PR appropriation in ECB for the receipt and expenditure of funds from DOA.

[Change to Bill: \$98,200 PR]

MO# 6080

BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
2 COWLES	(Y)	N	A
1 PANZER	(Y)	N	A
JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A
AYE	<u>15</u>	NO	<u>1</u> ABS <u>0</u>

Motion #6080

EDUCATIONAL COMMUNICATIONS BOARD

LFB Summary Items for Which No Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1	Standard Budget Adjustments
3	Reduce Supplies and Services Funding
5	Fuel and Utility Funding
6	Gifts and Grants Funding

LFB Summary Item to be Addressed in a Subsequent Paper

<u>Item #</u>	<u>Title</u>
4	Debt Service Reestimate

Elections Board

(LFB Budget Summary Document: Page 210)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
3	Campaign Finance Filing Fee (Paper #355)
-	Funding for Data Base Software Conversion and Electronic Campaign Finance Report Electronic Filing Enhancement (Paper #356)

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Campaign Finance Filing Fee (Elections Board)

[LFB Summary: Page 210, #3]

CURRENT LAW

The Elections Board administers the state's election and campaign laws, investigates alleged violations of those laws and brings civil actions to collection forfeitures. The Board also has compliance review authority over local election officials' actions relating to ballot preparation, candidate nomination, voter qualifications and election administration. The Board issues formal opinions upon request, promulgates administrative rules and works with local election officials to promote uniform election procedures. The Board also administers the campaign finance registration and reporting system and the Wisconsin election campaign fund. Base level funding for the Board's administrative operations totals \$738,700 GPR and \$25,300 PR with 13.0 GPR positions. The program revenue is derived from the sale of publications, charges for copies and materials provided to the public and fees assessed for certain services. There is no campaign finance filing fee under current law.

GOVERNOR

Effective January 1, 1999, require individuals, committees, corporations or groups who, under current law, are required to file campaign finance registration statements with the Board to annually pay a \$100 filing fee if more than \$2,500 is disbursed during the prior biennial reporting period (January 1 of each odd-number year and through December 31 of each even-numbered year) by the entity. Require the fee to be paid with the registrant's continuing report in January of each year or with a new registrant's campaign finance registration statement. Exempt candidates and candidates' personal campaign committees from the fee requirements.

Provide that any registrant who fails to pay the fee would be subject to a forfeiture of \$500 plus triple the amount of the delinquent payment. Create an annual, program revenue appropriation to support the general program operation costs of the Board and provide that all moneys received from the filing fee be credited to this appropriation. Reduce GPR funding for the agency by \$27,100 GPR in 1997-98 and \$27,200 GPR in 1998-1999 and increase PR funding (from fee revenues) by a like amount.

DISCUSSION POINTS

Background

1. Campaign finance registration statements must be filed annually by individuals, committees or groups that: (a) work in support of, or opposition to, any candidate or referendum; and (b) receive or make contributions to other political organizations or candidates for office, incur obligations or make disbursements in a calendar year in excess of \$25. A suspension or exemption of the registration requirement may be granted by the Board in cases where financial activity is less than \$1,000 annually.

2. In its deliberations on the 1989-91 and 1991-93 biennial budgets, the Joint Committee on Finance chose to delete gubernatorial recommendations for a similar \$50 fee that would have been used to finance part of the administrative costs of the Elections Board. Further, the Committee chose to delete similar gubernatorial recommendations for a \$100 fee to be used for Board administrative costs as part of its deliberations on the 1993-95 and 1995-97 biennial budgets.

3. In response to the directive that for 1997-99 biennial budget submission state agencies identify possible GPR budget reductions equal to 3.5% of their base budget, the Elections Board advanced this \$100 campaign finance filing fee as a means of raising PR revenues to finance a portion of the agency's budget and thereby reduce the current level of GPR funding for the agency by a like amount.

4. It can be argued that continuing campaign finance reports facilitate the public's right to know obligations of individuals, organizations and groups involved in the political process, and that it is appropriate for those entities to bear a least some of the cost of campaign finance regulation by the state. Further, it might be argued that the tight fiscal situation in this budget cycle warrants consideration of use of fee funding for a portion of this agency's costs.

5. Alternatively, it can be argued that the existence of any filing fee could inhibit political activity and discourage participation in the political process by increasing the cost of participation, and that a program that serves a general public purpose should be entirely funded from general purpose revenue. If the fee proposed in the bill is deleted, \$54,300 in additional

GPR funding, (\$27,100 in 1997-98 and \$27,200 in 1998-99) would need to be added to the Governor's budget unless the agency's existing base budget level is to be reduced.

Campaign Finance Report Filing Fee

6. Under the bill as currently drafted, the campaign finance report filing fee would be specified as an annual fee, but the bill specifies that "annual" fee would be paid only with campaign finance filing statement made in January of the odd-numbered year. It is the Governor's intent, however, that the fee be paid annually. In addition, the bill as drafted would require the fee to be paid each January 1, based on whether the registrant's biennial political expenditures exceeded \$2,500. Basing payment of an annual fee using biennial expenditure totals would be unduly complicated. The program revenue amounts contained in the bill are based on an estimate of the fee being charged biennially based on covered registrants having biennial political expenditures exceeding \$2,500. If the Committee approves the Governor's recommendation for an annual fee, the bill should be amended to clarify the fee is not a biennial fee but an annual fee and the revenue collection amount would need to be amended to reflect estimated annual payment amounts. In addition, the bill should be amended to require the fee to be paid each January 1 based upon the registrant having had more the \$2,500 in reported political expenditures in the prior calendar year.

7. The effective date of the filing fee under the Governor's bill would be January 1, 1999. However, the bill anticipates the receipt of fees in that year equal to two annual fees. Therefore, if the Committee decided to approve the Governor's recommended effective date, \$27,100 PR would have to be deleted from the agency budget in 1997-98. Alternatively, the Committee could change the effective date of the provision to January 1, 1998, so that two years of annual fee collections would still result.

8. Further, the bill as drafted does not provide that a committee with financial activity greater than \$2,500 in a year but which terminates operation before the January reporting date, must still pay the annual fee. The Committee may wish to consider, if it chooses to approve the Governor's recommendation, amending the bill to require a noncandidate committee with expenditures greater than \$2,500 that terminates before December 31, to pay the fee with its termination report. Such language would ensure that committees that register for one activity, such as referendum activity, would also be required to pay the fee even if their activity is completed prior to the time for filing a continuing report.

9. If the fee were to be made effective January 1, 1998, and the changes mentioned above were incorporated into the bill, a reestimate of the amount that would be received from the fee indicates revenues of \$54,100 (\$20,800 in 1997-98 and \$33,300 in 1998-99) rather than the \$54,300 in 1998-99 as estimated in the bill.

10. If the Committee is concerned about the implications of placing a \$100 fee on registrants except for candidates and candidate's personal campaign committees, it could consider

deleting the fee recommended by the Governor and restoring GPR funding. Alternatively, if the Committee feels using fee revenue to support a portion of the Board's operating costs is desirable, a different type of fee that could also be considered is discussed below.

Fee Based on Percentage of Expenditures

11. As part of the Elections Board's recommendations for meeting the Governor's directive for 5% and 10% reductions in base level agency budgets in the 1995-97 biennium, the agency proposed charging a campaign finance report filing fee equal to a 1% of all political expenditures in a calendar year exceeding a specified amount (either \$10,000 or \$25,000). The fee would have applied to all candidates (including those not involved in current elections), political party committees, legislative campaign committees, political action committees, and conduits which incurred political expenditures in Wisconsin.

12. This alternative was proposed by the Board, in part, because it is these registrants' filings that require the greater amount of Elections Board staff time for recording and auditing campaign finance reports. Listed below is a breakdown by expenditure categories of all registrants that filed campaign finance reports with the Elections Board in calendar years 1995 and 1996.

	<u>1995</u>	<u>1996</u>
\$0	270	254
\$0.01 to \$10,000	646	596
\$10,001 - \$25,000	67	167
\$25,001 and above	<u>48</u>	<u>164</u>
TOTAL	1,031	1,181

13. Additional advantages cited by the Board in 1995-97 for this approach included: (a) it would represent a progressive form of fee levy, in which those registrants with larger campaign treasuries and expenditures would bear the larger share of the fees collected; and (b) it would be relatively easy to administer, since the fee amount would be a simple calculation of total expenditures as listed in the registrants' reports.

14. A primary disadvantage of this type of fee is that the fee amount could be relatively large for high-spending campaigns. For example, the campaign to re-elect the Governor, with expenditures of approximately \$5.4 million in calendar year 1994, would have been assessed a \$53,750 fee under the proposal to charge a 1% fee on all expenditures exceeding \$25,000. For comparison, a registrant with campaign expenditures of \$10,000 would have paid no fee if the threshold were set at \$10,000, and a registrant with expenditures of \$30,000 would have paid a \$50 fee if the threshold were set at \$25,000. An argument for the higher threshold

is that more registrants with campaign finance activity at the lower end of the expenditure spectrum would be exempted by the use of a higher threshold.

15. The Governor's 1995-97 budget recommendations did not include the proposed 1% of expenditures fee that had been advanced the Elections Board. Rather, as noted above, the Governor's 1995-97 budget proposal recommended a \$100 campaign finance filing fee.

16. If such a fee were adopted and set at 1% of all political expenditures (which would include disbursements and transfers-out) exceeding \$25,000 annually, total revenues of \$186,400 would be estimated (based on the average amount of disbursements exceeding \$25,000 reported in the last two years) to be received during 1997-99 biennium, assuming a January 1, 1998, date for implementation of the fee. This would be \$132,100 higher, than the amount of revenue estimated to be received under Governor's recommendation for a \$100 filing fee. This additional PR funding could then be used to offset \$66,100 in 1997-98 and \$66,000 in 1998-99 of base level GPR funding for the Board above the amount recommended under the campaign finance report filing fee proposed by the Governor.

17. Alternatively, if the Committee wished to provide even a larger proportion of PR funding for the Board's operation, the Committee could consider imposing a fee of 2% of all political expenditures exceeding \$25,000 a year. Under this alternative, total revenues of \$372,800 would be estimated during the 1997-99 biennium, again assuming a January 1, 1998, effective date for implementation of the fee. This total would be \$318,500 higher during the 1997-99 biennium than the amount estimated to be received from the \$100 filing fee as proposed by the Governor. This additional PR funding could then be used to offset an additional \$159,300 in 1997-98 and \$159,200 in 1998-99 of base level GPR funding for the Board.

18. If the Committee wished to adopt such a fee at either a 1% or 2% level, but felt that the threshold should be set at a lower level such as \$10,000 so that registrants who are annually expending between \$10,001 and \$25,000 would also be required to pay a fee, the Committee could consider the following:

a. A fee of 1.0% of all political expenditures exceeding \$10,000 in each year. Under this alternative, total revenues of \$232,400 would be estimated for the 1997-99 biennium, (based on the average amount of disbursements exceeding \$10,000 in the last two years) and assuming a January 1, 1998, implementation date. This total would be \$178,100 higher for the biennium than the amount estimated to be received from the \$100 filing fee proposed by the Governor. This additional PR funding could be used to offset an additional \$89,100 in 1997-98 and \$89,000 in 1998-99 of base level GPR funding for the Board.

b. A fee of 2% of political expenditures exceeding \$10,000 in each year. Under this alternative, total revenues of \$464,800 would be estimated for the 1997-99 biennium, again assuming a January 1, 1998, implementation date. This total would be \$410,500 higher than the amount estimated to be received from the \$100 administrative fee as proposed by the Governor.

This additional PR funding could be used to offset an additional \$205,300 in 1997-98 and \$205,200 of base level GPR funding for the Board.

ALTERNATIVES TO BILL

1. Approve the Governor's recommendation with the following modifications: (a) clarify that the fee is an annual fee effective January 1, 1998; (b) require the fee to be paid based on political expenditures in the annual reporting period prior to the continuing campaign finance registration filing date; and (c) require all groups, individuals and committees that file a termination report before December 31 of each calendar year with expenditures greater than \$2,500 to pay the fee with its termination report.

2. Delete the \$100 filing fee and instead, adopt one of the following two alternatives:

a. Establish an annual fee of 1.0% of all political disbursements exceeding \$25,000 incurred by all individuals, committees or groups which are required to file annual campaign finance registration statements with the Board. In addition, substitute an additional \$66,100 PR in 1997-98 and \$66,000 PR in 1998-99 for \$66,100 GPR in 1997-98 and \$66,000 GPR in 1998-99 in the agency's budget.

<u>Alternative 2a</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 REVENUE (Change to Bill)	\$0	\$132,100	\$132,100
1997-99 FUNDING (Change to Bill)	-\$132,100	\$132,100	\$0
1998-99 POSITIONS (Change to Bill)	- 1.00	1.00	0.00

b. Establish an annual fee of 2.0% of all political disbursements exceeding \$25,000 incurred by all individuals, committees or groups which are required to file annual campaign finance registration statements with the Board. In addition, substitute an additional \$159,300 PR in 1997-98 and \$159,200 PR in 1998-99 PR for \$159,300 GPR in 1997-98 and \$159,200 in 1998-99 in the agency's budget.

<u>Alternative 2b</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 REVENUE (Change to Bill)	\$0	\$318,500	\$318,500
1997-99 FUNDING (Change to Bill)	-\$318,500	\$318,500	\$0
1998-99 POSITIONS (Change to Bill)	- 3.00	3.00	0.00

3. Delete the \$100 filing fee and instead, adopt one of the following two alternatives:

a. Establish an annual fee of 1.0% of all political disbursements exceeding \$10,000 incurred by all individuals, committees or groups which are required to file annual campaign finance registration statements with the Board. In addition, substitute an additional \$89,100 PR in 1997-98 and \$89,000 PR in 1998-99 for \$89,100 GPR in 1997-98 and \$89,000 GPR in 1998-99 in the agency's budget.

<u>Alternative 3a</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 REVENUE (Change to Bill)	\$0	\$178,100	\$178,100
1997-99 FUNDING (Change to Bill)	-\$178,100	\$178,100	\$0
1998-99 POSITIONS (Change to Bill)	- 2.00	2.00	0.00

b. Establish an annual fee of 2.0% of all political disbursements exceeding \$10,000 incurred by all individuals, committees or groups which are required to file annual campaign finance registration statements with the Board. In addition, substitute an additional \$205,300 PR in 1997-98 and \$205,200 PR in 1998-99 for \$205,300 GPR in 1997-98 and \$205,200 GPR in 1998-99 in the agency's budget.

<u>Alternative 3b</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1997-99 REVENUE (Change to Bill)	\$0	\$410,500	\$410,500
1997-99 FUNDING (Change to Bill)	-\$410,500	\$410,500	\$0
1998-99 POSITIONS (Change to Bill)	- 5.00	5.00	0.00

4. Maintain current law.

paper 355
MO# Alt. 1 but

				<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
REVENUE (Change to Bill)				0	-\$54,300	-\$54,300
FUNDING (Change to Bill)				\$54,300	-\$54,300	\$0

- BURKE Y N A
- DECKER Y N A
- GEORGE Y N A
- JAUCH Y N A
- WINEKE Y N A
- SHIBILSKI Y N A
- COWLES Y N A
- PANZER N A

- JENSEN N A
- OURADA N A
- HARSDORF N A
- ALBERS N A
- GARD N A
- KAUFERT N A
- LINTON Y N A
- COGGS Y N A

ollins
change \$2,500 to \$10,000

7 NO 9 ABS C

355)

To: Joint Committee on Finance

From: Bob Lang, Director
Legislative Fiscal Bureau

ISSUE

Funding for Data Base Software Conversion and Campaign Finance Report Electronic Filing Enhancement (Elections Board)

CURRENT LAW

The Elections Board base level funding for supplies and services is \$160,900 annually (\$136,400 GPR and \$24,500 PR). Of that amount, \$16,700 GPR of base funding is available for IT purposes.

GOVERNOR

No provision.

DISCUSSION POINTS

1. In its budget submittal, the Elections Board submitted a request for one-time funding of \$168,400 for conversion of its computer data base to a new operating system. It also requested additional one-time funding of \$102,800 for an enhancement to its computer data base system to allow for electronic filing by registrants of required campaign finance statements by those individuals, committees and groups required under state law to file such periodic reports with the Elections Board.

2. While submitted as a part of its budget request, the Board indicated an expectation that the funding of these requests might come from the Information Technology Investment Fund (ITIF) rather than actually submitting the items as a GPR funding request. However, there is a separate, annual process for requesting grants from the ITIF. In addition, current revenues to that

fund are very limited. Finally, under the fund's current grant criteria, the types of data base enhancements being requested by the Board are not presently considered high priority items for grants from the fund since there are still many agencies with basic IT infrastructure needs (upgrading basic office IT structure needs). The Governor's budget recommendations denied these funding requests.

3. At the Board's agency briefing before the Committee, the Executive Director of the Board reiterated the agency's request for funding of these two items as a top priority need. The Executive Director further noted that legislation (1997 Assembly Bill 150 and 1997 Senate Bill 109) has again been introduced in this session which would require the Board to accept from any registrant, who is required to file a campaign finance report with the Board, a campaign finance report filed by means of electronic transmission.

4. The Committee may wish to review the agency's original budget requests in this area and consider whether it wishes to add monies to the budget for either or both of these one-time funding requests. The two requests are individually discussed below.

Conversion of Agency Data Base to New Operating System

6. The Elections Board currently has a computer data base system--State of Wisconsin Elections Board Information System (SWEBIS)--for performing the agency's business functions including: (a) tracking candidate and political committee registrations and report filings; (b) auditing campaign reports and maintaining data on campaign contributions and expenses; (c) certifying candidate and political party ballot qualifications; (d) recording and certifying election results for state, federal and legislative elections; and (e) maintaining data on election administration for county and other local election jurisdictions.

7. The Board requested \$168,400 for the conversion of its current data base from its existing data base application (INGRES) to a new data base application (ORACLE). The funding would be used to hire contract staff to rewrite and convert SWEBIS to operate on ORACLE. The request is based on an estimate of the number of contractor hours that would be required, at a cost of \$50 per hour, to accomplish the conversion of the data base.

8. The agency's estimate for this project is based on contracting with the vendor who has worked with the agency in the past and who is familiar with the agency's existing data base and would be capable of doing the conversion work. Due to the one-time nature of this project, there is little justification for the hiring of an employee on a permanent basis. Further, even if the agency were to be authorized a project position to do the conversion, the frequent experience of state agencies is that it is difficult to find the type of experienced person needed to undertake such a project who is willing to accept such a limited-term appointment.

9. The Board received, as a result of an ITIF grant, funding for new PCs, a local area network server, and the new state standard data base application software (ORACLE). As noted above, funding is currently not being provided under the ITIF for the costs of agency data base conversion projects. However, the Board indicates that this conversion is necessary to enable the agency to integrate its existing data base files with the new state standard IT infrastructure which it now has as a result of the ITIF grant.

10. Without the conversion, the Board argues that it will have to continue to operate two separate IT systems which will decrease the efficiency of the agency staff. The agency also indicates that this data base conversion should be done before any enhancements to SWEBIS, such as adding campaign finance report filing and access applications, are undertaken. Finally, the Board argues that this project is its number one agency business plan and agency IT plan priority because its data base system is the backbone of all agency operations. The agency has estimated that it would take approximately nine months to complete this conversion project once it is commenced.

11. While the Board's request appears to have considerable merit, approval of this request would represent a sizable, although one-time, GPR increase to the agency's budget. There would be the possibility, however, if the Committee were to adopt a fee revenue approach different than the Governor's recommendation that raised additional PR funds, that the GPR funds that would be available, by having additional PR dollars, could be used on a one-time basis to fund some or all of this request. [NOTE: the issue of raising fees to finance a portion of the Elections Board operating budget is discussed in issue paper #355].

12. The Committee could provide one-time funding in the amount of \$168,400 GPR in 1997-98 to provide for the conversion of the agency's computer data base.

13. The specific number of hours required to complete the conversion will depend on the extent of files that are selected for conversion and a more precise estimate of the number of hours required to do the actual conversion. For example, the agency's request was based on using the highest level of a range estimate that it would take between 2,396 and 3,368 hours to complete this project. Thus, if the conversion were to take the lower range estimate 2,396 hours, only \$119,800 GPR would be needed to complete the conversion. As another alternative, the Committee could provide the total amount of requested one-time funding (\$168,400), but place the funds in unallotted reserve for release by DOA once the actual scope of the project and a more detailed estimate of the hours required is determined.

ALTERNATIVES TO BILL

1. Provide one-time funding of \$168,400 GPR in 1997-98 for the Board to fund the conversion of the agency's data base to the state standard system for data base applications.

<u>Alternative 1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$168,400

2. Provide one-time funding of \$168,400 GPR for the Board, but place the funds in unallotted reserve for release by DOA once the actual scope of the project and a detailed estimate of hours required is determined.

<u>Alternative 2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$168,400

3. Maintain current law.

Electronic Filing and Access Data Base Enhancements

14. The Elections Board requested one-time funding of \$102,800 to make enhancements to the agency's data base system (SWEBIS) to allow registrants who are required to file periodic campaign finance reports with the Board to submit their reports electronically if they so choose. In addition, the enhancement would be intended to also allow the public to access the agency's elections and campaign finance data base by accessing a site on the internet (world wide web). The funding would be used to hire contract staff to design, develop and install the data base enhancement. The request amount is based on an estimate of the number of contractor hours that would be required, at a cost of \$50 per hour, to accomplish the project.

15. The Board notes that this IT initiative also has a high priority for the agency and is an item for which the agency has requested funding in its two previous budget requests as well as in its 1997-99 budget submittal. While this enhancement does not necessarily have to be done at the same time as the requested conversion of the agency's entire data base system, the Board believes that this enhancement could be included in the conversion project if that funding was also approved. However, the Board stresses that it would be unwise to proceed with this enhancement project unless the basic data base conversion project was also underway or completed since otherwise additional conversion costs would be incurred.

16. Two companion bills (1997 Assembly Bill 150 and 1997 Senate Bill), each with 18 Senate sponsors and 57 Assembly sponsors, would require the Elections Board to have an electronic filing capability for the filing of campaign finance reports by those registrants required to file such reports with the Board. In addition, the bills would direct the Board to make available to registrants software that is designed to facilitate complete electronic filing of such reports. The Executive Director has indicated, however, that he anticipates that the Board would provide formatted disks to registrants who wish to file their reports electronically.

17. Under the bills, the Board would be allowed to charge a fee for the software, not to exceed the actual cost. The bills do not further define what is meant by software. As introduced however, the bills do not provide any funding for the establishment at the Board's offices of the data base enhancements necessary to allow for such electronic filing of the reports. In the fiscal estimates to the bills, the Elections Board indicates that, similar to the cost estimates in its budget submittal, additional one-time funding of \$271,200 (composed of \$168,400 for conversion of the current data base application and \$102,800 to develop the electronic filing enhancement to its data base applications) is needed to meet the directive of the bills.

18. Two points may be advanced for the Committee's consideration with regard to this request:

- The argument could be made that if this request is also funded immediately the agency may be taking on too many data base modifications at one-time. In that regard, the argument could be made that the Board should first complete the basic data base conversion before beginning to undertake the electronic filing enhancements.

- If the Committee feels that the concept of the electronic filing enhancement project is desirable but that it should not be commenced before the conversion is completed, the Committee could provide funding for the project, but place the \$102,800 in reserve in the Joint Committee on Finance's appropriation for release upon completion of the conversion of the agency's data base conversion. Alternatively, the Committee could decide to let this issue be addressed through the separate legislation that is pending.

19. As with the basic conversion project, the only current source of funding for this request is GPR. The Committee's approval of this request would represent an additional significant, although one-time, GPR increase to the Board's budget. There would be the possibility, however, if the Committee were to adopt a campaign finance report funding fee which provided for a larger amount of PR fee revenue, then recommended by the Governor, that additional GPR funds would be available, because of the additional PR dollars, which could be used on a one-time basis to fund some or all of this request. [NOTE: the issue of fees to finance a portion of the Elections Board operating budget is discussed in issue paper #355].

20. The Committee could provide one-time funding of \$102,800 GPR for the cost of developing the electronic filing enhancement.

21. However, just as with the data base conversion project, the precise number of hours required to complete the electronic filing enhancements are unknown. The agency's request was based on using the highest level of a range estimate that it would take between 1,552 and 2,056 hours to complete this project. If the project were to take the lower range estimate of 1,552 hours, only \$77,600 GPR would be needed to complete the enhancements. As another alternative, the Committee could provide the total amount of one-time funding (\$102,800) but

place the funds in unallotted reserve for release by DOA once the actual scope of the project and a more detailed estimate of hours required is determined.

ALTERNATIVES TO BILL

1. Provide one-time funding of \$102,800 GPR in 1997-98 for the Board to fund the electronic filing enhancement.

<u>Alternative 1</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$102,800

2. Provide one-time funding of \$102,800 GPR in 1997-98 for the Board to fund the electronic filing enhancement, but place the monies in unallotted reserve for release by DOA once the actual scope of the project and a detailed estimate of hours required is determined.

<u>Alternative 2</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$102,800

3. Provide one-time funding of \$102,800 GPR in 1997-98 in reserve in the Joint Committee on Finance's appropriation for release to the Board upon the Board's request after the completion of the conversion of the agency's data base.

<u>Alternative 3</u>	<u>GPR</u>
1997-99 FUNDING (Change to Bill)	\$102,800

4. Maintain current law.

Prepared by: Tricia Collins

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE _____ NO _____ ABS _____

paper 350

MO# Alt 2 database upgrade

2	BURKE	<input checked="" type="radio"/>	N	A
1	DECKER	<input checked="" type="radio"/>	N	A
	GEORGE	<input checked="" type="radio"/>	N	A
	JAUCH	<input checked="" type="radio"/>	N	A
	WINEKE	<input checked="" type="radio"/>	N	A
	SHIBILSKI	<input checked="" type="radio"/>	N	A
	COWLES	Y	<input checked="" type="radio"/>	A
	PANZER	<input checked="" type="radio"/>	N	A
	JENSEN	<input checked="" type="radio"/>	N	A
	OURADA	<input checked="" type="radio"/>	N	A
	HARSDORF	Y	<input checked="" type="radio"/>	A
	ALBERS	<input checked="" type="radio"/>	N	A
	GARD	<input checked="" type="radio"/>	N	A
	KAUFERT	<input checked="" type="radio"/>	N	A
	LINTON	<input checked="" type="radio"/>	N	A
	COGGS	<input checked="" type="radio"/>	N	A

AYE 14 NO 2 ABS _____

paper 350
MO# Alt 3 electronic filing and
data base enhancements

2	BURKE	<input checked="" type="radio"/>	N	A
1	DECKER	<input checked="" type="radio"/>	N	A
	GEORGE	<input checked="" type="radio"/>	N	A
	JAUCH	<input checked="" type="radio"/>	N	A
	WINEKE	<input checked="" type="radio"/>	N	A
	SHIBILSKI	<input checked="" type="radio"/>	N	A
	COWLES	Y	<input checked="" type="radio"/>	A
	PANZER	Y	<input checked="" type="radio"/>	A
	JENSEN	Y	<input checked="" type="radio"/>	A
	OURADA	Y	<input checked="" type="radio"/>	A
	HARSDORF	Y	<input checked="" type="radio"/>	A
	ALBERS	Y	<input checked="" type="radio"/>	A
	GARD	Y	<input checked="" type="radio"/>	A
	KAUFERT	Y	<input checked="" type="radio"/>	A
	LINTON	<input checked="" type="radio"/>	N	A
	COGGS	<input checked="" type="radio"/>	N	A

AYE 8 NO 8 ABS _____

ELECTIONS BOARD

Increase Wisconsin Election Campaign Fund Checkoff from \$1 to \$3

Motion:

Move to increase from \$1 to \$3 (from \$2 to \$6 for joint returns) the amount which a taxfiler may designate on his or her individual income tax return to be transferred from the general fund to the Election Campaign Fund, first effective for 1997 calendar year returns filed in 1998. Increase the estimated amounts which would be transferred in 1998-99 from the general fund to the Election Campaign Fund by \$570,000 GPR and increase the estimated disbursement amounts from the Fund by \$570,000 SEG in 1998-99.

Note:

Increasing the taxfiler designation amount to the Election Campaign Fund from \$1 to \$3 would generate an estimated additional \$570,000, based on the current projected estimate of 285,000 designations on 1997 calendar year returns filed in 1998. The amounts designated do not increase a taxfiler's liability or decrease a refund; consequently, the proposed change would represent a GPR expenditure increase. On August 15 of each year, the Secretary of the Department of Revenue certifies the number of taxfiler designations since the previous August 15. A GPR sum sufficient appropriation under Miscellaneous Appropriations pays out a dollar amount equal to the number of certified designations to the segregated Election Campaign Fund.

Under the motion, the first certification by the Secretary of DOR at the new designation rate would occur on August 15, 1998. The current estimated amount to be transferred on that date is \$285,000 GPR. Under the motion, it is estimated that this transfer amount would increase by \$570,000 GPR to a total of \$855,000 GPR in 1998-99.

The increased amount of the transfer would provide additional funds to the segregated Election Campaign Fund which could be disbursed for the November 1998 elections. Under the bill, \$700,000 SEG in 1998-99 would be appropriated for this purpose. Under this motion, the amounts estimated to be expended from the fund would be increased by an additional \$570,000 SEG to \$1,270,000 SEG in 1998-99.

[Change to Bill: \$570,000 GPR and \$570,000 SEG]

MO# 1502

2 BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
GEORGE	<input checked="" type="radio"/>	N	A
JAUCH	<input checked="" type="radio"/>	N	A
WINEKE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
COWLES	Y	<input checked="" type="radio"/>	A
PANZER	Y	<input checked="" type="radio"/>	A
JENSEN	Y	<input checked="" type="radio"/>	A
OURADA	Y	<input checked="" type="radio"/>	A
HARSDORF	Y	<input checked="" type="radio"/>	A
ALBERS	Y	<input checked="" type="radio"/>	A
GARD	Y	<input checked="" type="radio"/>	A
KAUFERT	Y	<input checked="" type="radio"/>	A
LINTON	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 8 NO 8 ABS 0

ELECTIONS BOARD

LFB Summary Items for Which No Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1	Standard Budget Adjustments
2	Election Campaign Fund Expenditures

Employe Trust Funds

(LFB Budget Summary Document: Page 212)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1&7	Minor Policy and Technical Changes (Paper #360)
2	Information Technology Funding (Paper #361)
3	Employe Health Insurance Data Collection Activities (Paper #362)
6	Supplies and Services Cost Increases -- Mailing and Forms Production Volume Increases (Paper #363)