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

ISSUE

Milwaukee Child Welfare -- MA Case Management Services (DHFS -- Medical Assistance/Children and Family Services and Supportive Living)

[LFB Summary: Page 266, #13]

CURRENT LAW

Case management services assist individuals in accessing, coordinating and monitoring an array of services, including services covered by medical assistance (MA) and services provided by other programs. The MA mental health crisis intervention benefit provides a variety of services to MA recipients who experience mental health crises. Under current law, a county, city, village or town may elect to provide MA case management and mental health crisis intervention services, in which case the locality is responsible for paying the state share of the MA costs for these services.

DHFS will take over the administration of the Milwaukee County child welfare system on January 1, 1998. DHFS will be providing case management services to families involved in the child welfare system. Because many of these families will be MA-eligible, DHFS needs the authority to contract and pay for these services.

GOVERNOR

Increase MA benefits funding by \$3,795,800 FED in 1997-98 and \$7,944,600 FED in 1998-99 to reflect a projected increase in billing of MA case management services for children in Milwaukee County. The state's share of these additional MA costs and case management funds for individuals who are not MA-eligible (\$5,928,600 in 1997-98 and \$10,789,500 in 1998-99) would be provided by program revenues collected from Milwaukee County and GPR-

supported aids for Milwaukee County child welfare services. This funding would support 250 caseworkers.

Authorize DHFS to make case management and mental health crisis intervention services available in Milwaukee County under MA and require the MA program to reimburse the Division of Children and Family Services for the amount of the federal share of the allowable charges for those services in Milwaukee County. Specify that if DHFS elects to provide these services, DHFS would reimburse providers for the state's share of allowable charges.

DISCUSSION POINTS

Mental Health Crisis Intervention

1. SB 77 does not provide any funding to support the state share of MA costs for mental health crisis intervention services. Since the introduction of SB 77, DHFS staff have indicated that DHFS does not require the statutory authority to make these services available in Milwaukee County because, under federal MA law, DHFS cannot make these services available in the Milwaukee County and limit these services to families involved in the child welfare system.

Consequently, the Committee could delete the SB 77 provision which would authorize DHFS to make mental health crisis intervention services available in Milwaukee. The effect of this modification would be that Milwaukee County, like all other counties, could elect to make these services available and would be responsible for paying the state share of these services.

Case Management Services

2. When the state assumes responsibility for the system on January 1, 1998, it will also assume responsibility for all of the children placed in out-of-home care at that time. DHFS staff believe that it may be more difficult to resolve these inherited cases, either through reunification or a termination of parental rights, because they have been involved with the current system for such a long time. One benefit of a lower family to caseworker ratio in 1997-98 is that staff will have more time to focus on these inherited and potentially more challenging cases.

3. There will be a number of one-time projects and administrative activities resulting from the transfer of the system from Milwaukee County to the state. If caseload ratios are lower in the first year, staff will also be able to devote more time to these projects and activities without having to decrease the time that is spent on activities directly related to their cases.

4. Currently, each caseworker in Milwaukee County is responsible for approximately 30 to 40 families. These caseworker-to-caseload ratios make it difficult for caseworkers to properly supervise and manage a child in out-of-home-care. As a result, children remain in out-

of-home care for a longer period of time. It is estimated that the average length of stay for children in foster care in Milwaukee County is currently 24 months.

DHFS staff anticipate that for new cases entering the child welfare system after January 1, 1998, the average length of stay for children in foster care will be 12 to 14 months. DHFS staff expect to achieve this reduction in average length of stay by reducing caseload ratios and providing more services to children and families in the child welfare system than under the current system.

5. In the initial planning for the state's takeover of providing child welfare services, it was determined that 250 caseworkers were required to supervise children in out-of-home care. This staffing was sufficient to assign 15 families to each caseworker. These caseload ratios were satisfactory to the Children's Rights, Inc., the plaintiffs in the lawsuit.

6. Since the number of caseworkers was established at 250, information identifying additional caseloads increased the caseload ratio to 17 families per caseworker. The contract staff and funding provided in SB 77 reflects this revised information. According to DHFS staff, the revised caseload ratios remain satisfactory to the plaintiffs.

7. The Committee could provide \$740,500 GPR and \$379,200 FED in 1997-98 and \$1,346,400 GPR and \$756,700 FED in 1998-99 to fund an additional 32 caseworkers to maintain the original desired caseload of 15 families per caseworker. This caseload ratio would be more comparable to the national best practice standards established by the Child Welfare League of America (CWLA), which recommends twelve families per caseworker. In addition, this level of caseworker to families would increase the likelihood that DHFS will be able to reduce average length of stay for children in foster care.

8. However, it could be argued that providing caseload ratios of 20 families per caseworker could also be appropriate. A typical target for caseload ratios for counties and states operating their child welfare system under a court order as a result of litigation is 20 families per caseworker.

The Committee could reduce funding by \$725,500 GPR and \$451,200 FED in 1997-98 and \$1,301,600 GPR and \$898,600 FED in 1998-99 and reduce the number of caseworkers to 212 which would be sufficient to provide 20 families per caseworker, which is consistent with court orders in other states and counties whose child welfare systems have been sued.

9. Once a child is placed in out-of-home care, a social worker is assigned to the case to provide on-going case management services. These services include the following:

- Re-assessing child safety on a continual basis;

- Conducting a family assessment and developing a treatment plan in order to assemble treatment services necessary to ameliorate any results of abuse or neglect;
- Changing core conditions that create safety and risk concerns with the family;
- Developing and implementing a plan to work toward reunification with the natural family or another permanent home environment; and
- Preparing all necessary documentation or permanency plan reviews, extensions of out-of-home placement court orders and prosecution of termination of parental rights cases.

10. SB 77 provides funding for 250 case managers, 40 supervisors and 40 clerical staff that would be located throughout the five neighborhood service delivery areas. DHFS intends to contract with Milwaukee County Department of Human Services to provide case management services in two of these neighborhood areas. The remaining three areas would be served by private vendors.

Based on the staffing proposal included in SB 77 and updated caseload data, on average, each case manager would be assigned to 13 families in 1997-98 and 17 families in 1998-99. When SB 77 was developed it was anticipated that the staffing proposal contained in the bill would yield a 18 families to one caseworker ratio in 1998-99.

11. It is expected that it will take a number of months before the child welfare caseload will stabilize and the number of children entering the system in Milwaukee will be approximately the same as the number of children who leave the system. Initially, it is anticipated that fewer cases will be assessed and fewer children will be placed in out-of-home care. Consequently, the ratio of caseworkers to families is lower in 1997-98 than 1998-99.

12. However, increasing the caseload ratios to 20 families per caseworker increases the chances that children will stay in foster care longer than anticipated under DHFS administration and foster care costs would increase.

ALTERNATIVES TO BILL

1. Maintain the 250 caseworker staff provided in SB 77 and the funding to support these staff as reestimated in a separate paper. Delete provisions to provide mental health crisis intervention services in Milwaukee County.

2. Decrease funding by \$674,700 GPR and \$424,500 FED in 1997-98 and \$1,237,900 GPR and \$859,200 FED in 1998-99 to reduce the number of contracted caseworkers by 32 to establish a ratio of families to contracted caseworkers of 20 to one. In addition, delete provisions

that would authorize DHFS to provide mental health crisis intervention services in Milwaukee County.

<u>Alternative 2</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	- \$1,912,600	- \$1,283,700	- \$3,196,300

3. Increase funding by \$698,500 GPR and \$356,000 FED in 1997-98 and \$1,292,700 GPR and \$723,500 FED in 1998-99 to support an additional 32 contracted caseworkers to establish a ratio of families to contracted caseworkers of 15 to one. In addition, delete provisions to provide mental health crisis intervention services in Milwaukee County.

<u>Alternative 3</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$1,991,200	\$1,079,500	\$3,070,700

Prepared by: Rachel Cissne and Amie T. Goldman

MO# Alt 1

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 15 NO 1 ABS 0

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

ISSUE

Milwaukee Child Welfare Services -- Quality Assurance (DHFS -- Children and Family Services and Supportive Living)

[LFB Summary: Page 305 #7 and Page 309, #8]

CURRENT LAW

1995 Wisconsin Act 303 directed DHFS to propose legislation by September 15, 1996, to transfer the duty and authority to provide child welfare services in Milwaukee County from the county to DHFS no later than January 1, 1998. This proposal was incorporated into SB 77.

GOVERNOR

Provide \$270,400 (\$193,100 GPR and \$77,300 FED) in 1997-98 and \$489,300 (\$346,400 GPR and \$142,900 FED) in 1998-99 to support 8.0 additional positions (5.6 GPR and 2.4 FED positions) beginning in 1997-98, to serve as program evaluation managers. DHFS is currently budgeted 8.0 program evaluation managers that were authorized in Act 303. Consequently, DHFS would be authorized a total of 16.0 program evaluation managers. These positions would be located as follows: two at each of the five service delivery sites, five at the central administrative site and one in the DHFS office in Madison.

Provide \$570,000 (\$313,500 GPR and \$256,500 FED) in 1997-98 for initial training of 570 state and contract staff in preparation for the implementation of the DHFS plan for providing child welfare services in Milwaukee County, effective January 1, 1998.

DISCUSSION POINTS

1. Some of the key allegations in the suit filed against Milwaukee County and the state by the Children's Rights Group lawsuit are that:

- Investigations of allegations of abuse and neglect are not being appropriately conducted in order to accurately determine whether a child had been abused or neglected and whether children are safe in their homes;

- Services are not being provided to families prior to the removal of the child from the home in order to prevent the removal;

- Services are not being provided to families in order to reunite a child with his or her family or to proceed towards adoption or a more permanent placement with a relative.

2. DHFS staff are currently writing standard policies and procedures which will be used by DHFS and vendors under contract with DHFS to provide child welfare services in Milwaukee County, beginning January 1, 1998. These standards are being written to ensure that decisions at the intake, assessment and case management stages of the child welfare system will most likely improve the well-being of the children in the system, and achieve the goals of reducing average length of stay for children for foster care.

3. Under SB 77, DHFS would be authorized a total of 16.0 program evaluation managers to ensure adherence to the standards being developed by current DHFS staff. Daily activities of these positions will involve reviewing case-specific decisions and interpretations by reading case files of social workers, attending meetings to discuss cases, reviewing decisions made by the social workers and their supervisors and intervening when inappropriate decisions are made. In addition, these positions would review system-wide functioning, including consistency of application of the standards and ensuring cases are moving through the child welfare and court systems on a timely basis.

4. These managers will be responsible for monitoring the performance of the vendors under contract with DHFS to provide: (a) case management services; (b) foster care placements; (c) adoption placements; (d) eligibility determinations; (e) foster care review board and many smaller contracts. Because of the number of vendors that will be involved in providing services in the child welfare system, it will be important for DHFS to ensure that all staff, including state staff and contract staff, are interpreting and applying the standards of practice uniformly across all five service delivery sites.

5. However, it could be argued that many of the responsibilities of the program evaluation managers overlap with the responsibilities of other staff in the child welfare system. For example, supervisors are responsible for directing, reviewing and approving all decisions made by an intake social worker. For caseworkers, supervisors must review and approve all

decisions of placement, reunification, termination of parental rights and case closures. In addition, one supervisor is budgeted for every six social workers, which is well within national standards of supervision for child welfare agencies.

6. With the automated case management system which will be implemented by January 1, 1998, supervisors will be responsible for the movement of each case through the child welfare and court system to assure that time frames are met by staff. All documented case plans, evaluations, court reports, and permanency plans must be reviewed by supervisors and approved for every case. The automated case management system is intended to provide information regarding case outcomes and information to evaluate the effectiveness of the child welfare system.

7. The Committee could reduce the number of program evaluation managers budgeted in SB 77 to 8.0 positions to provide 1.0 program evaluation manager per site, and 3.0 program evaluation managers at the central site to reflect the need to monitor for compliance with standards of practice, and evaluation of the effectiveness of the child welfare system under DHFS administration.

8. It could be argued that a more appropriate method of ensuring adherence to the standards developed by DHFS is to provide sufficient training of staff. Officials from the National Council on Accreditation have indicated that one of the most effective methods of ensuring adherence to standards of practice is to provide sufficient and on-going training to child welfare staff. In addition, to the extent that evaluation managers identify potential problems in the process and the application of standards to decisions made, training would be the most appropriate way to remedy such problems.

9. DHFS has established a rigorous training plan for 570 state, county and private vendor staff. The training will occur over a three-month period prior to the start-up of the five sites. Topics that will be covered include: (a) the children's code (Chapter 48 of the statutes) and case law relating to Chapter 48; (b) general standards of practice; (c) juvenile court intake and the Milwaukee County court system; (d) cultural awareness and competency; (e) information technology; (f) case prioritization and monitoring; (g) crisis intervention; (h) foster care and adoption standards of practice; (i) program evaluation and quality assurance; and (j) safety intervention.

All staff will participate in general training and specialized training particular to their role in the system. All social workers and supervisors will participate in the training, including state staff, Milwaukee County staff and private vendor staff.

10. SB 77 would provide \$313,500 GPR and \$256,500 FED in 1997-98 and \$277,100 GPR and \$226,700 FED in 1998-99 for initial and on-going training for staff. DHFS staff have expressed concern that this level of funding is not sufficient to support the total costs of

providing the rigorous initial training required prior the state's takeover beginning January 1, 1998.

11. In a letter to the Co-Chairs of the Committee dated May 12, 1997, Secretary Leean suggested that SB 77 under-funds the Department's training needs by \$305,700 GPR in 1997-98. DOA does not however support the provision of additional funds for training purposes.

Based on the most recent information available regarding federal reimbursement for the costs of training, a 55%/45% GPR/FED split should be used for staff training. Based on this split, Secretary Leean's request for training funds would provide an additional \$555,800 (\$305,700 GPR and \$250,100 FED).

However, a reestimate of the total cost to provide initial training for 570 state and contract staff would require an additional \$815,400 (\$448,500 GPR and \$366,900 FED) in 1997-98 in addition to amounts budgeted in SB 77. This funding reflects differences from the amount requested the amount indicated in the letter from Secretary Leean to reflect: (a) a lower federal cost share of 45%, rather than 75% as assumed by DHFS; and (b) deletion of funding for travel of training staff. Since the University of Wisconsin-Milwaukee is expected to provide the training, it is reasonable to assume there will be no travel costs for trainers.

ALTERNATIVES TO BILL

A. Program Evaluation Managers

1. Adopt the Governor's recommendations.
2. Reduce funding by \$193,100 GPR and \$77,300 FED in 1997-98 and \$346,400 GPR and \$142,900 FED in 1998-99 and 5.6 GPR positions and 2.4 FED positions annually to reflect the deletion of 8.0 program evaluation managers. [Under this alternative, the 8.0 program evaluation managers in the base would continue to be funded.]

<u>Alternative 2</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	- \$539,500	- \$220,200	- \$759,700
1998-99 POSITIONS (Change to Bill)	- 5.60	- 2.40	- 8.00

B. Initial Training

1. Adopt the Governor's recommendations to provide \$570,000 (\$193,100 GPR and \$256,500 FED) in 1997-98 for initial training of 570 state and contract staff in preparation for

the implementation of the DHFS plan for providing child welfare services in Milwaukee County, effective January 1, 1998.

2. In addition to Alternative #B1, provide \$305,700 GPR and \$250,100 FED in 1997-98 to reflect the amount of funding requested by Secretary Lekan in his May 12 letter for additional training funds.

<u>Alternative B2</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$305,700	\$250,100	\$555,800

3. In addition to Alternative #B1, provide \$448,500 GPR and \$366,900 FED in 1997-98 to reflect the actual costs of providing initial training for 570 state and contract staff to prepare for the implementation of the DHFS plan for administering child welfare services in Milwaukee County, effective January 1, 1998.

<u>Alternative B3</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	\$448,500	\$366,900	\$815,400

4. Delete the provision.

<u>Alternative B4</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1997-99 FUNDING (Change to Bill)	-\$313,500	-\$256,500	\$570,000

MO# B-13

Prepare

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 8 NO 8 ABS 0

MO# B-2

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 8 NO 8 ABS 0

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

ISSUE**Milwaukee Child Welfare Services -- Site Selection Process (DHFS -- Children and Family Services and Supportive Living)**

[LFB Summary: Page 305 and 309, #7 and #8]

CURRENT LAW***Milwaukee Child Welfare Neighborhood Sites***

The child welfare system structure established in 1995 Wisconsin Act 303 is based on providing services through five neighborhood-based service delivery sites and a central administrative site located in the City of Milwaukee. The geographic areas of these five districts are defined by ZIP codes, as identified below.

District 1: 53205, 53206 and 53233

District 2: 53208 and 53210

District 3: 53202, 53203, 53209, 53211, 53212, 53216, 53217, 53223 and 53224

District 4: 53204 and 53215

District 5: 5310, 53129, 53130, 53132, 53154, 53172, 53207, 53213, 53214, 53218, 53219, 53220, 53221, 53222, 53225, 53226, 53227, 53228 and 53235

Although the five districts vary in area, the boundaries of these districts were designed to ensure that child welfare caseloads would be approximately equal in each district.

State Licensing Services

The Division of Buildings and Police Services in DOA is responsible for leasing, acquisition, allocation and utilization of all real property by state agencies. In March, 1996, the Division released a request for proposal (RFP) to contract for basic real estate services, such as lease procurement, lease audits and space alteration services for office and storage facility space, on behalf of DOA, in the Milwaukee metropolitan area (Milwaukee, Waukesha, Kenosha, Racine, Ozaukee and Washington Counties). After receiving six responses to the RFP, DOA elected to contract with the Polacheck Company, Inc. to perform these services. DOA signed a three-year contract with Polacheck on November 29, 1996.

The RFP identifies specific lease procurement activities for which the contractor is responsible, including conducting market surveys and completing reports that document the market survey process and its results. The contractor's report is required to identify data concerning availability, expected rental rates, quality of buildings with potential deficiencies noted, quantity of rentable square feet, use potential, handicap accessibility, zoning, and needed degree of space modifications.

The report is also required to provide information on area amenities, such as eating facilities, parking, proximity to public transportation and other factors which would enhance the desirability of the property. In addition, the report is required to provide cost information based on unit prices in categories specified by the affected state agency.

The state agency that eventually uses the space is provided the contractor's report, which is used by the agency and DOA as the basis for further negotiations, and ultimately, DOA's decision to accept an offer.

GOVERNOR

No provision.

DISCUSSION POINTS

1. On May 23, 1997, Committee members requested additional information on the process DHFS and DOA used in selecting district sites for the administration of Milwaukee child welfare services and whether it would be feasible to provide the Committee with the authority to review and approve specific sites.

Site Selection Process

2. On February 6, 1997, DOA released an RFP for district office sites and requested that responses be submitted by March 6, 1997. The major requirements identified in the RFP are summarized below.

- The sites needed to be ready for occupancy on October 1, 1997.
- The state requested a five-year lease, with options of two successive two-year renewals.
- The proposed rates would include all utilities, janitorial and other facility costs.
- All build-out or remodeling costs would be the responsibility of the proposer, and identified and separated from the base rental rate.
- The district offices would be located within specified ZIP code districts, which identify the district boundaries.
- The preferred location for the space would be situated on the ground level, although, multiple levels would be considered.
- The site would be located in an area that would require minimal directions.
- Public transportation should be available within one block of the site.
- The site would have no environmental problems.
- The facility would be served by a telephone switch which has T-1 and ISDN capabilities.
- The site would have a net usable area of approximately 18,000 contiguous square feet.
- The site would have sufficient parking within the area to accommodate 100 office staff and 50 visitors and accommodate overnight and handicapped parking.
- Employees would have access to the site 24 hours a day, 365 days a year.
- The office would portray a professional, clean, upbeat image to the staff and visitors.

The RFP included extensive descriptions of space requirements, prepared by Quorum Architects, Inc., standard construction and technical specifications and a sample lease.

3. DOA received sufficient responses to the RFP to evaluate proposals for most of the sites. The Polachek Company produced cost and qualitative analyses of these properties and presented this information to DOA and DHFS staff. State staff conducted site visits and, based on available information, DOA staff, with the approval of DHFS, selected the sites.

However, DOA received no proposals for District 2 sites and an insufficient number of proposals of sites from District 1 to evaluate. DOA staff indicate that there are few suitable office rental sites in these areas of the City of Milwaukee. Consequently, the state attempted to find additional sites for consideration. After reviewing several options, a single site at 1703 W. North Avenue and 17th Street was selected to serve Districts 1 and 2 in a combined setting. Although this property will require significant renovation, the renovation is expected to be completed by October 1, 1997, when it will be occupied.

4. The following table identifies, for each of the selected sites: (a) the total rentable square feet; and (b) the estimated rent costs for each site in the first year.

Milwaukee Child Welfare District Sites

<u>District</u>	<u>Location</u>	<u>Total Square Footage</u>	<u>Year 1 Estimated Costs</u>	<u>Avg. Cost Per Square Foot (Fixed Gross Rate)</u>
1 and 2	1730 W. North Ave.	32,400	\$445,500	\$13.75
3	6101 North Teutonia	18,000	256,500	14.25
4	2745 S. 13th St.	18,000	229,860	12.77
5	1205 S. 70th St.	<u>20,635</u>	<u>281,049</u>	<u>13.62</u>
Total		89,035	\$1,212,909	\$13.60

Feasibility of Site Review/Approval by Joint Committee on Finance

During the May 23, 1997, overview on this issue, Committee members expressed interest in providing the Committee a role in the site determination process. While SB 77 could be modified to provide the Committee the authority to review and approve the selection of these sites, the following points may be noted.

- The Department of Administration, through its contractor, has already conducted market surveys and site evaluations. DHFS indicate that the properties meet the criteria specified in the RFP.

- The Building Commission has approved the sites selected by DOA and DHFS. Contracts with the owners of these properties are expected to be signed during the next several weeks.

- Some of the properties that were selected require renovation, particularly the joint District 1 and District 2 site. The budget bill could be enacted in August. If the Committee were required to meet to approve or disapprove sites pursuant to provisions in the bill, anticipated renovations at these sites may not occur. Sites for District 1, 2 and 3 must be ready by October 1, 1997; sites for District 4 and 5 must be ready by December 1, 1997.

ALTERNATIVES TO BILL

1. Modify the bill to create a passive review process, under which DOA would submit a proposal for the selection of these sites to the Committee in a manner similar to the passive review process under s. 16.505/515 of the statutes.

2. Take no action.

Prepared by: Charles Morgan

MO# A171

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	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	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	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	<input checked="" type="radio"/>	N	A
2 COGGS	<input checked="" type="radio"/>	N	A

AYE 12 NO 4 ABS

HEALTH AND FAMILY SERVICES

Retired and Senior Volunteer Program

Motion:

Move to increase funding for the retired and senior volunteer program by \$440,000 GPR annually to: (a) expand programs to counties for which no funding is currently provided; and (b) increase funding for current programs.

In addition, change the statutory name of the program from the "retired senior volunteer program" to the "retired and senior volunteer program" and clarify that RSVP volunteers are age 55 and over.

Note:

The RSVP develops and supports volunteer opportunities for older adults, enabling volunteers to stay or become active in the community through volunteer service. The RSVP recruits, interviews, trains and places men and women with public and private nonprofit agencies requesting service.

[Change to Bill: \$880,000 GPR]

MO# 3115

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

Motion #3115

AYE 7 NO 9 ABS _____

HEALTH AND FAMILY SERVICES

Healthy Beginnings Program

Motion:

Move to provide \$87,500 GPR in 1997-98 and \$175,000 GPR in 1998-99 to ARC Community Services, Inc. for the Healthy Beginnings Program.

Note:

The Healthy Beginnings program provides substance abuse day-treatment services for pregnant and post-partum women and their infants. It is operated by ARC Community Services, Inc. in Dane County.

[Change to Bill: \$262,500 GPR]

MO# 1708

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 _____

HEALTH AND FAMILY SERVICES

Alzheimer's Family and Caregiver Support Program

Motion:

Move to increase funding for the Alzheimer's family and caregiver support program by \$616,700 GPR in 1997-98 and \$1,233,300 GPR in 1998-99 to support the estimated costs of providing services to individuals currently on waiting lists for program services.

Note:

The Alzheimer's family and caregiver support program funds services and goods to persons with Alzheimer's disease and their families or caregivers to enable the family to maintain the person with Alzheimer's disease as a member of the household. Typical services provided through this program include respite care, adult day care, in-home help and transportation services. In addition, funding is available to purchase goods such as nutritional supplements, security systems, specialized clothing, home-delivered meals and chair lifts.

In the 1995-97 biennium, \$1,877,000 is budgeted for the program as a categorical allocation under community aids. SB 77 would maintain base funding for the program in each year of the 1997-99 biennium.

The Alzheimer's family caregiver support program is not an entitlement program. Counties are allocated specific amounts of funding to provide services. If funding is insufficient to meet program demand, counties may establish waiting lists for services.

As of January 1, 1997, counties reported that there were 640 individuals on waiting lists for the program. It is estimated that the costs of providing services to all of the individuals on waiting lists, beginning in calendar year 1998, would be \$616,700 GPR in 1997-98 and \$1,233,300 GPR in 1998-99, based on the current average cost of providing services to each family enrolled in the program (\$1,927 per family per year).

[Change to Bill: \$1,850,000 GPR]

MO# 3098

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

AYE 8 NO 8 ABS _____

HEALTH AND FAMILY SERVICES

Independent Living Centers

Motion:

Move to provide \$90,800 GPR in 1998-99 and \$181,600 GPR in 1998-99 to increase funding for independent living centers.

Note:

Independent living centers (ILCs) assist persons with severe disabilities to achieve a greater level of independence in the community. Services provided by ILCs include information and referral, peer counseling, independent living skills training and advocacy, employment and personal care.

State funding for ILCs is \$1,039,400 GPR in 1996-97. SB 77 maintains funding for ILCs at this level in each year of the 1997-99 biennium.

The additional funding that would be provided in this motion would be sufficient to establish funding for each of the eight ILCs at \$250,000, beginning January 1, 1998.

[Change to Bill: \$272,400 GPR]

MO# 3099

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	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	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

Motion #3099

AYE 10 NO 6 ABS _____

HEALTH AND FAMILY SERVICES

Behavioral Health Pilot Program

Motion:

Move to reduce funding to support the costs of care for residents in institutes for mental diseases (IMDs) by \$100,000 GPR annually.

Provide \$100,000 GPR and \$59,600 FED in 1997-98 and \$100,000 GPR and \$102,800 FED in 1998-99 to support behavioral health managed care projects. Funding would be used to support: (a) 1.5 GPR positions and 1.5 FED positions, beginning in 1998-99 (\$30,000 GPR and \$59,000 FED in 1997-98 and \$51,000 GPR and \$102,800 FED in 1998-99); and (b) \$70,000 GPR in 1997-98 and \$49,000 GPR in 1998-99 to support provider training and mailing costs).

Note:

DHFS is budgeted \$11,961,000 GPR annually to support cost of care for residents in IMDs and care for persons who have been relocated from IMDs to the community. In 1995-96, expenditures for these services totaled \$9,781,600 GPR. This motion would reduce funding budgeted for these services by \$100,000 GPR annually.

In addition, the motion would provide funding to enable DHFS to conduct a managed care pilot project for the provision of mental health and substance abuse services. The pilot project would enroll persons who require mental health and substance abuse services into managed care programs, beginning in 1998-99. These program would emphasize prevention, early intervention, improvement and recovery. Staff would be used to: (a) develop an MA waiver application; (b) determine eligibility requirements and enrollment procedures; and (c) develop methodologies for calculating capitation rates.

DHFS requested funding to conduct a similar, larger pilot program in its 1997-99 budget submission. However, no funding was provided in SB 77 for this purpose.

[Change to Base: \$162,400 FED]

MO# 1687

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	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	A

² JENSEN	<input checked="" type="radio"/>	N	A
¹ OURADA	<input checked="" type="radio"/>	N	A
HARSDORF	<input checked="" type="radio"/>	N	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 16 NO 0 ABS _____

HEALTH AND FAMILY SERVICES

Runaway Services Grants

Motion:

Move to provide \$100,000 GPR annually to increase funding available for grants to runaway programs.

Note:

DHFS distributes grants to 25 programs that provide services to runaways. These grants are supported by federal funds totalling \$458,600 annually that are available under Title IV-B of the Social Security Act. In addition, these programs receive funds the Wisconsin Association of Runaway Services receives under the federal Runaway Homeless Youth Act (\$738,600 in 1996-97). This motion would increase funding for these programs by \$100,000 GPR annually.

Each of the programs provides 24-hour hotline services, crisis intervention counseling and short-term shelter care. In 1995, these programs provided services to 2, 674 clients.

[Change to Bill: \$200,000 GPR]

MO# 3104

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	<input type="radio"/>	<input checked="" type="radio"/>	A
PANZER	<input checked="" type="radio"/>	N	A
JENSEN	<input type="radio"/>	<input checked="" type="radio"/>	A
OURADA	<input type="radio"/>	<input checked="" type="radio"/>	A
HARSDORF	<input type="radio"/>	<input checked="" type="radio"/>	A
ALBERS	<input type="radio"/>	<input checked="" type="radio"/>	A
GARD	<input type="radio"/>	<input checked="" type="radio"/>	A
KAUFERT	<input type="radio"/>	<input checked="" type="radio"/>	A
LINTON	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	N	A

AYE 9 NO 7 ABS _____

HEALTH AND FAMILY SERVICES

Elderly Benefit Specialists, Elder Abuse and Senior Tax Credit

Motion:

Move to provide: (a) \$1,160,000 GPR annually for the elderly benefit specialist program; and (b) \$400,000 GPR annually for elder abuse services. In addition, effective for the 1997 tax year, eliminate the senior citizens tax credit of \$25 for the following groups: (a) couples with annual income over \$40,000; (b) individuals with income over \$30,000; and (c) couples filing separate returns with income over \$20,000.

Note:

This motion would eliminate the senior tax credit of \$25 for certain families with income above specified limits, based on tax filing status. These changes would increase GPR revenues by an estimated \$2.1 million in 1997-98 and \$2.2 million in 1998-99.

The elderly benefit specialist program assists older persons with their private and government benefits. Benefit specialists are employed in each county aging unit and are trained and monitored by regional attorneys. Currently, \$1,224,000 GPR is budgeted for grants to support elderly benefit specialists. In addition, the state allocates \$132,500 GPR annually to area agencies on aging to hire attorneys for the purpose of training, supervision and legal back-up services for benefit specialists.

This motion would increase funding for the elderly benefit specialist program for the following purposes: (a) \$960,000 GPR to support higher wages for the benefit specialists and to increase the number of hours of services; (b) \$150,000 GPR annually to create a tribal benefit specialist program; and (c) \$50,000 GPR annually to expand the legal services for elderly benefit specialists.

In addition, this motion would increase funding for elder abuse services by \$400,000 GPR annually. Currently, the state provides grants totalling \$225,000 GPR annually to counties to provide services to elderly persons who are victims of physical abuse, financial abuse, neglect or self-neglect.

[Change to Bill: \$3,120,000 GPR and \$4,300,000 GPR-REV]

MO# reject #18

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 _____

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 _____

HEALTH AND FAMILY SERVICES

Children and Family Services and Supportive Living

LFB Summary Items for Which No Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
4	Individual Limit on COP Funding
16	Federal Revenue Reestimates
18	Licensing of Children's Facilities <i>(Wine 2 George - reject)</i>
19	Adult Facilities Licensing
20	Facility Licensing and Certification System
21	Bureau of Quality Assurance Funding
22	Provider Training
26	CBRF License Fees
27	Tobacco Consumption by Minors
33	Projects for Assistance in Transition from Homelessness (PATH)
34	Human Services Reporting System Enhancements
35	Staff Support for Governor's Committee for People with Disabilities
39	Community Services Pilot Project with the Red Cliff Band

LFB Summary Items to be Addressed in Subsequent Papers

<u>Item #</u>	<u>Title</u>
6	SSI Administration and Benefits
7,8	Milwaukee County Child Welfare Services: Funding and Statutory Changes
9	Kinship Care Payments
14(part)	Transfer and Consolidation of Prevention Programs

(over)

LFB Summary Items for Introduction as Separate Legislation

<u>Item #</u>	<u>Title</u>
23	County Child Caring Institutions
24	Collection of Forfeitures Assessed Against Community-Based Residential Facilities and Children's Facilities
25	Audits for Nongovernmental Providers
36	Community Mental Health Plans
37	Council on Blindness
38	ISP Reporting Requirements
40	Birth-to-Three Report

Higher Educational Aids Board

(LFB Budget Summary Document: Page 330)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
2,3,4	Wisconsin Higher Education Grant and Tuition Grant Programs (Paper #485)
5	Academic Excellence Scholarship Program (Paper #486)
12	Recreate Higher Educational Aids Board (Paper #487)
-	Minor Policy and Technical Changes -- Student Loan Interest Appropriation (Paper #488)

AGENCY: HIGHER EDUCATIONAL AIDS BOARD

Staff Recommendations:

Paper 485: Part A -- ~~Alternative 1~~ (no action needed) 2g

Comments: Depending on what happens under tuition paper 900, i.e. if 7% increase is likely, then maybe we should provide a 7% increase in financial aid. Talk to LFB about this. The Gov's increase is only 2%/3% over the biennium. Dem Staff agreed that we should give them the 7% increase. That would mean adopting Alt. 2g.

Part B -- ~~Alternative 1~~ (no action needed) 2f

Comments: Same argument applies as above. See paragraph 6. Dem staff says to match the tuition increase here we need to go with Alt. 2f.

Part C -- Alternative 1 (no action needed)

Comments: Might as well go with the Gov here as well. Note, this is the private school aid package.

Paper 486: Alternative 2

Comments: Let's stop goofing around, if we're going to fund these scholarships, lets make them sum sufficient.

Paper 487: Part A -- Alternative 2

Comments: LFB makes case to reduce board size, this composition seems reasonable.

Part B -- Alternative 2

Comments: Stagger them, like RB.

Part C -- Alternative 1

Comments: Personally we prefer something else, but this was all we got. JOKE, JOKE.

Paper 488: Approve modification to bill

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

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

ISSUE

Wisconsin Higher Education Grant and Tuition Grant Programs (HEAB)

[LFB Summary: Pages 330 and 331, #s 2, 3 and 4]

CURRENT LAW

The Wisconsin higher education grant (WHEG) program provides grants to resident undergraduates enrolled at UW campuses and Wisconsin Technical College System (WTCS) institutions. Students enrolled at least half-time are eligible for grants ranging from \$250 to \$1,800 per year for no more than 10 consecutive semesters. Awards are based on financial need. Prior to 1996-97, grants for UW students and WTCS students were funded from one appropriation within HEAB. A provision in the 1995-97 state budget separated WHEG funding into two appropriations beginning in 1996-97.

The tuition grant (TG) program provides grants to resident undergraduates who attend private, nonprofit postsecondary institutions in Wisconsin. Awards are based on financial need with the need calculation being partially based on the amount by which the tuition at the student's institution exceeds tuition at UW-Madison. Students enrolled at least half-time are eligible for grants ranging from \$250 to \$2,172 per year for no more than ten semesters.

GOVERNOR

Provide a total of \$824,000 GPR in 1997-98 and \$2,084,600 GPR in 1998-99 to increase funding for the each of the WHEG programs and the TG program over the prior year by 2% in 1997-98 and 3% in 1998-99. The additional funding would be provided to each program as follows:

WHEG Program for UW Students. Provide \$285,700 in 1997-98 and \$722,800 in 1998-99. Total funding would increase from \$14,283,200 in 1996-97 to \$14,568,900 in 1997-98 and \$15,006,000 in 1998-99.

WHEG Program for WTCS Students. Provide \$217,300 in 1997-98 and \$549,700 in 1998-99. Total funding would increase from \$10,863,200 in 1996-97 to \$11,080,500 in 1997-98 and \$11,412,900 in 1998-99.

TG Program. Provide \$321,000 in 1997-98 and \$812,100 in 1998-99. Total funding would increase from \$16,050,200 in 1996-97 to \$16,371,200 in 1997-98 and \$16,862,300 in 1998-99.

DISCUSSION POINTS

1. The WHEG and TG programs are the three largest state-funded financial aid programs, accounting for approximately 87% of the GPR funds appropriated in 1996-97 for need-based financial aid through HEAB. In 1995-96, 8,690 students, or approximately 34% of Wisconsin resident undergraduates attending in-state private colleges, received TG awards. WHEG awards were provided to 20,305 UW students (13.3%) and 18,336 WTCS students (23.8%). The average grant amount was \$1,825 for private college students, \$629 for UW students and \$590 for WTCS students.

2. For each program, different formulas are used to allocate funds between dependent and independent students. Annually, beginning with 1996-97 grants, the UW Board of Regents, the WTCS Board and the Wisconsin Association of Independent Colleges and Universities are each required to submit proposed formulas for the distribution of WHEG and TG grants to students attending their respective institutions. HEAB may approve or modify the recommended formulas. At its February 28, 1997 meeting, HEAB approved the formulas for distribution of the 1997-98 grants as recommended by the three sectors.

3. According to staff from the Department of Administration, the bill would provide each program with the same percentage increase to maintain the existing balance among the three educational sectors.

4. While the bill provides equal percentage increases in funding for each program, changes in funding for WHEG and TG could have different impacts. Because almost all financial aid for students attending public institutions comes from the state or federal government, and most of the students are Wisconsin residents, an increase in WHEG funds directly benefits Wisconsin students. Private colleges, however, enroll a larger percentage of nonresident students and draw a greater portion of the financial aid for their students from nongovernmental sources. Arguably, private colleges could use TG funding to replace some of the private funds that would

otherwise be used for financial aid for residents, enabling a college to offer this aid to nonresident students.

5. Attempts are often made to link changes in funding for WHEG and TG programs to changes in tuition. The tuition policy of the Board of Regents asserts that GPR financial aid "should increase at a rate no less than that of tuition while staying commensurate with the increased student budget needs of students attending the UW System." The WTCS Board has not adopted such a policy.

6. The WTCS Board recently approved tuition increases for 1997-98 of 5.9% for students enrolled in postsecondary/vocational adult programs and 11.2% for students enrolled in college parallel programs. Tuition at private colleges in Wisconsin will increase by an average of 5.2% in 1997-98, with increases ranging from 0% to 7.7%. Increases in UW tuition are determined by the Regents and depend on the level of funding provided in the University's budget and on salary increases provided in the state's compensation plan. While actual UW tuition for 1997-98 will not be approved by the Regents until June or July, during testimony on the budget bill, the President of the Board of Regents stated that, as a practical matter, the Board would not increase tuition by more than an average of 7% annually in the 1997-99 biennium.

7. While tuition is often viewed as the primary factor in the cost of a student's education, other costs, such as room and board, books, transportation and other expenses account for over two thirds of the cost of attending a UW campus or technical college. At private colleges, however, tuition can equal 75% of a student's total educational costs. In 1995-96, WHEG and TG grants covered an average of approximately 7% of total costs for a UW or WTCS student and 11% of the total costs for a private college student.

8. In 1995-96, state-funded financial aid accounted for 11% of all need-based financial aid received by Wisconsin undergraduates while the federal government provided 64.2% of the funds and institutions provided another 15.3%. Consequently, changes in federal funding and formulas have a much greater impact on the financial aid received by a student than changes in state funding.

9. President Clinton has proposed financial aid increases totalling \$47 billion (10%) for federal fiscal year 1997-98. The largest proposed increase would be in the Pell Grant program for which funding would increase by 29% from \$5.9 billion to \$7.6 billion. The maximum Pell Grant would increase from \$2,700 to \$3,000. In addition, the eligibility formula would be changed to make the grants available to more single, independent students. Other changes proposed for major federal programs include a 3.3% increase in funding for the college work-study program, a reduction in the origination fees charged for federal student loans and \$132 million for \$1,000 scholarships to high school students in the top 5% of their class. The President has also proposed a \$1,500 tax credit and a tax deduction for tuition and fees. The federal state student incentive grants program would be eliminated. Wisconsin receives approximately \$665,500 under this program which is applied to the GPR-funded talent incentive

program (TIP). Since none of these proposals has been acted on by Congress, actual changes to these programs are not known.

ALTERNATIVES TO BILL

A. WHEG Program for UW Students

1. Approve the Governor's recommendation to provide \$285,700 GPR in 1997-98 and \$722,800 GPR in 1998-99 to increase funding for WHEG awards to UW students over the prior year by 2% and 3%, respectively.

2. Modify the Governor's recommendation by providing the following amounts to increase funding for the WHEG program for UW students by the indicated percentages:

	Annual Increase	GPR Funding Change to Bill		
		1997-98	1998-99	Total
a.	1%	-\$142,900	-\$435,700	-\$578,600
b.	2	0	-145,700	-145,700
c.	3	142,800	147,100	289,900
d.	4	285,600	442,700	728,300
e.	5	428,500	741,300	1,169,800
f.	6	571,300	1,042,600	1,613,900
g.	7	714,100	1,346,800	2,060,900

B. WHEG Program for WTCS Students

1. Approve the Governor's recommendation to provide \$217,300 GPR in 1997-98 and \$549,700 GPR in 1998-99 to increase funding for WHEG awards to UW students over the prior year by 2% and 3%, respectively.

2. Modify the Governor's recommendation by providing the following amounts to increase funding for the WHEG program for UW students by the indicated percentages:

HIGHER EDUCATIONAL AIDS BOARD

WHEG Program for UW Students

Motion:

Move to delete \$285,700 GPR in 1997-98 and \$722,800 GPR in 1998-99 for the WHEG program for UW students.

Note:

This motion would delete the proposed increases in the Wisconsin Higher Education Grant (WHEG) program for UW students in SB 77. The bill would provide a 2% increase in 1997-98 and a 3% increase in 1998-99. Base funding for this program is \$14,283,200 GPR.

[Change to Bill: -\$1,008,500 GPR]

MO# 3060

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 7 NO 9 ABS 0

	<u>Annual Increase</u>	<u>GPR Funding Change to Bill</u>		
		<u>1997-98</u>	<u>1998-99</u>	<u>Total</u>
a.	1%	-\$108,700	-\$331,400	-\$440,100
b.	2	0	-110,800	-110,800
c.	3	108,600	111,900	220,500
d.	4	217,200	336,700	553,900
e.	5	325,900	563,800	889,700
f.	6	434,500	793,000	1,227,500
g.	7	543,100	1,024,400	1,567,500

C. TG Program

1. Approve the Governor's recommendation to provide \$321,000 GPR in 1997-98 and \$812,100 GPR in 1998-99 to increase funding for WHEG awards to UW students over the prior year by 2% and 3%, respectively.

2. Modify the Governor's recommendation by providing the following amounts to increase funding for the WHEG program for UW students by the indicated percentages:

	<u>Annual Increase</u>	<u>GPR Funding Change to Bill</u>		
		<u>1997-98</u>	<u>1998-99</u>	<u>Total</u>
a.	1%	-\$160,500	-\$489,500	-\$650,000
b.	2	0	-163,700	-163,700
c.	3	160,500	165,400	325,900
d.	4	321,000	497,600	818,600
e.	5	481,500	833,000	1,314,500
f.	6	642,000	1,171,700	1,813,700
g.	7	802,500	1,513,600	2,316,100

Prepared by: Merry Larsen

MO# B-2F

1 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
2 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 12 NO 4 ABS 0

MO# C-2d

BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
2 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 7 NO 9 ABS 0

HIGHER EDUCATIONAL AIDS BOARD

Tuition Grant Program

Motion:

Move to delete \$321,000 GPR in 1997-98 and \$812,100 GPR in 1998-99 for the tuition grant program, which would have provided increases of 2% in 1997-98 and 3% in 1998-99. In addition, reduce the statutory maximum tuition grant award which a student may receive from \$2,172 per year to \$1,800 per year.

Note:

The TG program provides need-based grants to resident undergraduates who attend private, nonprofit postsecondary institutions in Wisconsin. Students enrolled at least half-time are eligible for grants ranging from \$250 to \$2,172 per year for no more than ten semesters. This motion would delete the Governor's recommendation to increase funding for the program by \$321,000 GPR in 1997-98 and \$812,100 GPR in 1998-99; funding would remain at the 1996-97 base level of \$16,050,200. In addition, this motion would lower the maximum grant from \$2,172 per year to \$1,800 per year.

[Change to Bill: -\$1,133,100 GPR]

MO# 305

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

Motion #305

AYE 2 NO 14 ABS 0

HIGHER EDUCATIONAL AIDS BOARD

Independent Student Grant Program

Motion:

Move to provide \$900,000 GPR in 1998-99 to restore a revised version of the independent student grant program to provide financial assistance for low income single parents who are students in the UW System or WTCS. Grants would be based on financial need and include a supplement for child care costs of between \$500 and \$1,000 per semester for each child, but could not exceed \$4,000 per year for any student. HEAB would be required to give preference to students enrolled in courses likely to increase their employment opportunities.

Note:

This motion would establish a revised independent student grant program.

[Change to Bill: \$900,000 GPR]

MO# 3053

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

AYE 7 NO 9 ABS 0