



Legislative Fiscal Bureau

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

April 19, 2010

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Substitute Amendment to Assembly Bill 910: Wisconsin Conservation Corps

Assembly Substitute Amendment 1 to Assembly Bill 910, hereafter "the bill", would create the Wisconsin Conservation Corps (WCC) program, which would provide grants to local governments and non-profit corporations who would act as sponsors of WCC youth conservation and community development projects. The bill would establish a WCC Board as the policy-making body of the WCC, attached to the Department of Administration. The bill would specify the types of projects eligible for WCC grants, and require the WCC Board to contract with a non-profit organization with experience in natural resources to manage the WCC program. Under the bill, if the WCC program manager determines that a proposed project is an appropriate youth corps project and that work crew members would be eligible to participate in a WCC project, the manager would be required to submit the application to the Wisconsin National and Community Service Board (NCSB), which provides grants from federal Americorps funds. In addition, the bill would allow DOA to transfer funds from sum certain appropriations in other state agencies, subject to certain limitations, for operation of the WCC program until the publication of the 2011-13 biennial budget act. The original bill would have required the NCSB to provide funding for at least 240 WCC grants from available federal funding and would have provided funding for WCC operations from the conservation fund, the normal school fund, and from program fees assessed to sponsors of WCC projects. AB 910 was introduced on March 29, 2010. On April 15, the Assembly Committee on Natural Resources adopted Assembly Amendment 1 to ASA 1 on a vote of 15-0. The Committee then adopted the substitute amendment and recommended the bill, as amended, for passage on votes of Ayes 14, Noes 1.

CURRENT LAW

The original Wisconsin Conservation Corps was created in 1983 to provide employment to young men and women 19 to 25 years of age through the completion of conservation and natural

resource projects. In addition, a goal of the WCC was to teach young adults basic work habits and job skills, to develop cooperation and discipline through meaningful work experiences, and to provide training and educational opportunities, to increase their chances of securing employment in the private sector. The Corps consisted of crews of youth workers performing a variety of conservation and community development activities including timber stand improvement, trail development, soil erosion control, and construction of recreational facilities. Crew projects were developed in association with sponsors, such as governmental agencies, non-profit organizations, and school districts, and typically lasted for one year. The program was housed in the Department of Workforce Development and was funded by general purpose revenue, the forestry and water resources accounts of the segregated conservation fund, other segregated revenue sources, and program revenues received from project sponsors. At its height, the program had a budget of almost \$6 million with 55 work crews. The program ceased operations on June 30, 2003.

The Wisconsin National and Community Service Board (NCSB) is a citizen board appointed by the Governor and attached to the Wisconsin Department of Administration. The NCSB grants federal Americorps funds to Wisconsin organizations for youth corps programs. Youth corps programs are full-time year round or summer national service programs for 16 to 25 year olds that involve projects with visible public benefits, including natural resources, urban renovation, and human resources projects. The programs are to provide crew-based, highly structured, and adult-supervised work experience which includes training, education, career guidance and support services to develop citizenship values and skills. In addition, after serving a year in an Americorps program, a participant is eligible to receive an Americorps education award to pay education costs at qualified institutions of higher education, for educational training, or to repay qualified student loans (for 2010, the maximum education award is \$5,350 for one-year of service). Organizations which received grants during the 2009-10 program year included Beloit Fresh Start, the Boys and Girls Club of Greater Milwaukee, and Marshfield Clinic Research Organization, among others. The NCSB may fund youth corps programs that include natural resource-based public benefits (of the 24 programs funded in 2009-10, five had a natural resources-based component).

The NCSB is statutorily required to be made up of at least 16 voting members. The 16 voting members must include representatives with various types of community service experience including individuals with experience in youth educational training and development, volunteerism among older adults, and non-profit community organizations. In addition, the Board includes the State Superintendent of Public Instruction (or representative) and the Secretary of Department of Administration (or designee). It also includes at least one representative from a local school board, organized labor, and the business community as well as two representatives from the national Americorps program including one representative between ages 16 and 25. Currently, the board is made up of 22 members. All Board members serve three-year terms.

SUMMARY OF SUBSTITUTE AMENDMENT

Effective July 1, 2011, ASA 1 to Assembly Bill 910 would create the Wisconsin

Conservation Corps (WCC) and specify that the purpose of the program is to "seek to protect, enhance, and provide access to Wisconsin's natural heritage and encourage and enable young people to learn the value of work in a natural setting by providing employment training and career pathways". The bill would create a Wisconsin Conservation Corps Board attached to the Department of Administration (DOA). The bill would specify that DOA would be required to provide all staff support necessary for the operation of the WCC Board.

The WCC Board would be the policy-making body of the WCC program and would consist of (a) the Secretary of Natural Resources or his or her designee; (b) the Executive Secretary of the Board of Commissioners of Public Lands; (c) two representatives to the Assembly, appointed as are members of Assembly standing committees; (d) two Senators, appointed as are members of Senate standing committees; (e) one member of a nongovernmental organization that has expertise in conservation matters or that represents employees who work in conservation activities (appointed by the Governor), for a three-year term; and (f) two members of the faculty employed by a technical college district board, appointed by the Technical College System Board, for three-year terms. However, the initial term for one of the technical college faculty members would expire on May 1, 2013, the initial term for the other technical college faculty member would expire on May 1, 2014, and the initial term for the Board member representing a nongovernmental conservation organization would expire on May 1, 2015. The Board would be required to promulgate rules for the operation of the WCC, and the Board would be allowed to promulgate emergency rules for WCC program operations without the finding of an emergency.

Similar to the previous Wisconsin Conservation Corps, the WCC program established under the bill would provide grants to local governments and non-profit corporations (organized under 501(c)(3) or (4) of the Internal Revenue Code) who would act as sponsors of conservation and community development projects performed by crews of youth workers. A "project" is defined as "a planned undertaking of the Wisconsin Conservation Corps for a sponsor to carry out a specific goal within a defined period of time that is focused on the conservation or enjoyment of natural resources and that will have a specific, beneficial, physical effect." The size of work crews would be determined by the WCC Board, and each work crew would be required to have a crew leader. To be a member of a WCC work crew, a youth would be required to be between the ages of 18 and 25. The bill would also specify that at least fifty percent of the work crew members on a project must have no postsecondary education before beginning work on a project, and have a family income of not more than 200 percent of the federal poverty level.

Under the bill, the WCC Board would be required to contract with a nonprofit corporation that has demonstrated experience in natural resources conservation and youth training or employment to administer and manage the WCC program. The manager would be responsible for retaining, training, and supervising all work crews under the WCC program, and for providing educational programming for work crews, and any outreach and other communications services required by directive of the Board. In addition, the WCC program manager would identify and review potential projects, assist with project proposal development, and recommend proposed projects to the Board for Board review and approval. The Board would be prohibited from

authorizing, or the manager from engaging, the services of any employee or contractor if those services displace the services of any individual employed by the state (in a classified or unclassified civil service position), or employed by a local government in a permanent position.

Eligible WCC projects under the bill would include new trail construction, trail rehabilitation, invasive species management, bridge and boardwalk construction, reforestation, timber stand improvement, stream bank stabilization, erosion control, rain garden installation, prairie restoration, historical site preservation, recreation site maintenance, wild land fire hazard reduction and fuels management, lake and stream restoration, boundary marking, fencing, landscaping, carpentry, and data collection for scientific research. Local governments and non-profit corporations would be eligible to submit an application to the WCC Board for approval of an eligible WCC project. The application would be required to include the following: (a) an identification of the project and the sponsor of the project, and a detailed plan for working on the project; (b) an enumeration of the number of work crews that will work on the project and an affirmation that work crew members would be eligible to participate in a WCC project; (c) a plan for training the work crew members, providing transportation to each project work site, and making available individualized educational opportunities for work crew members suited to the qualifications, experience, and needs of the members while they are working on the project, and for assisting work crew members in making full use of all benefits provided under the program; and (d) a plan for the crew members to visit postsecondary institutions, such as a technical college or a college campus of the University of Wisconsin System, at least once every three months while they are employed on a WCC project in order to familiarize them with application and enrollment procedures, programs, and course offerings.

The bill would also require a WCC project to be conducted on government-owned land (federal, state or local government) or land in which government has an ownership interest. However, the bill would allow a project to include incidental work to be performed on non-governmentally controlled land, if the work to be performed on the land is directly related to accomplishing work conducted on government-controlled land.

In addition, the bill would require the WCC Board to approve applications for projects that are located in at least one of each of the technical college districts in each year, and to the greatest extent possible, ensure that projects are equally distributed across technical college districts.

Under the bill, if the WCC program manager determines that a proposed project is an appropriate youth corps project and that work crew members would be eligible to participate in a WCC project, the manager would be required to submit the application to the NCSB. If an application for a grant is approved by the NCSB, the manager would accept the grant for the Board and use the grant to assist the sponsor in training the WCC work crews. The NCSB could approve WCC projects as youth corps projects funded from its federal appropriation for national and community service (AmeriCorps funds) or from other gifts and grants received. If the WCC program manager determines that funding through NCSB would not be available for a proposed project, the bill requires the manager to work with the sponsor to identify funding sources and apply

for and accept funding for projects from available sources. No state appropriation would be created by the bill for the funds that may be procured by the contracted program manager.

Each local government or non-profit corporation receiving a grant for a WCC project would be required by the bill to do the following: (a) upon completion of the project, erect a permanent plaque at the work site identifying the project as a Wisconsin Conservation Corps project and (b) submit a report to the WCC Board identifying the number of work crew members who enrolled at a technical college, a college campus of the University of Wisconsin System, or any other postsecondary educational institution upon completion of a WCC project, the status of each such work crew member as of one year after completion of each project, including whether the crew member has graduated from high school, has received a declaration of equivalency of high school graduation, or is employed, and if employed, in what capacity. Annually, by March 31, the WCC Board would be required to submit a report to the Chief Clerk of each house of the Legislature identifying WCC projects undertaken and completed during that year.

The bill would allow DOA, on behalf of the WCC Board, the WCC manager, or the sponsor, to enter into a cooperative purchasing agreement that currently allows state and local governments to cooperatively buy goods and services. The Board, on its own behalf or for a WCC program manager or sponsor, could enter into such a cooperative agreement on its own under the bill. In addition, DOA would have to delegate procurement authority to the WCC board to enter into cooperative purchasing agreements on behalf of itself or a WCC manager or sponsor.

Under the bill, the WCC Board could request cooperative assistance from other state agencies. Under current law, under cooperative assistance statutory language, state agencies must cooperate in performing state work and must share information and allow the interchange of state employee services. The bill would also allow the Board to enter into a similar intergovernmental agreement with municipalities.

Under current law, DOA and agencies delegated procurement authority by DOA must generally follow procurement statutes under s. 16.705, including: (a) conducting a cost-benefit analysis if costs are estimated to exceed \$25,000; (b) having the Office of State Employment Relations ensure the maximized use of state employees; (c) having a review by DOA to ensure that there is independence between the solicitor of projects and the persons awarding a contract; and (d) providing notice of unsatisfactory performance; (e) ensuring, to the extent possible, that new awards are not granted to contractors who previously provided unsatisfactory goods or services. The bill would specify that contractual services performed by WCC crew members would not have to comply with these procurement requirements.

Under current law, orders awarded or contracts made by DOA for materials, supplies, equipment and contractual services provided to state agencies, with exceptions, must be awarded to the lowest responsible bidder after considering life cycle cost estimates, location of the agency, quantities to be purchased, conformity of specifications and deliverability. Under the bill, this current law provision would not apply to contractual services to be performed by WCC crew members. In addition, under current law, DOA may contract for services which can be performed

more economically or efficiently by such a contract. An agreement for the management of WCC would be exempt from the current law procurement requirements for such a service contract.

The bill would authorize DOA, subject to certain limitations, to transfer any amount of money appropriated from a sum certain appropriation in an executive branch agency to the WCC Board for the general program operations of the Board from the effective date of the substitute amendment, until the date of publication of the 2011-13 biennial budget act. However, DOA would be prohibited from transferring any money from an appropriation derived from federal revenues, or if the transfer would violate the state or federal constitution, other state laws, or a requirement imposed by the federal government as a condition to receipt of federal funds by Wisconsin. In addition, DOA would be prohibited from transferring any money from Department of Transportation (DOT) appropriations related to state highway construction, state highway rehabilitation, and southeast Wisconsin freeway rehabilitation [section 20.395(3)(bq), (cq), or (cr)], other than moneys for department operations and engineering services engaged under s. 84.01(13) of the statutes. The bill would create an appropriation in DOA for the deposit of moneys transferred by DOA under this authority, and for any monies transferred from other state agencies, to be used for the general program operations of the WCC Board. This appropriation could allow DNR or other state agencies to contribute to WCC projects sponsored by local governments or non-profit corporations.

Any transfer made by DOA to the WCC Board would be subject to review by the Joint Committee on Finance under a 14-day passive review process. The Secretary of Administration would be required to notify the Co-Chairs of the Joint Committee on Finance in writing of the proposed transfer, and if the Co-Chairs do not notify the Secretary that the Committee has scheduled a meeting for the purpose of reviewing the proposed transfer within 14 working days after the date of the Secretary's notification, the Secretary may make the proposed transfer. If, within 14 working days after the date of the Secretary's notification, the Co-Chairs notify the Secretary that the Committee has scheduled a meeting for the purpose of reviewing the proposed transfer, the secretary would not be allowed to make the proposed transfer unless the Committee approves the proposed transfer or modifies and approves the proposed transfer. If the Committee modifies and approves the proposed transfer, the Secretary may make the proposed transfer only as modified by the Committee.

ASSEMBLY AMENDMENT 1 TO ASA 1

The amendment would clarify that a WCC project must be conducted, in Wisconsin, on government-owned land (federal, state or local government) or land in which government has an ownership interest. A project would be allowed to include incidental work to be performed on non-governmentally controlled land, if the work to be performed on the land is directly related to accomplishing work conducted on government-controlled land.

In addition, AA1 would limit to \$400,000 the amount of money that may be transferred under the bill from one or more sum certain appropriations in executive branch agencies to the DOA appropriation for Board operations. Further, for each request by DOA to transfer funds to the

WCC Board, the amendment would require the Co-Chairs of the Joint Committee on Finance to send a copy of the request to each member of the Joint Committee on Finance and notify the committee members in writing that any member of the Committee may request a meeting of the Committee to review the request. If any committee member requests such a meeting within 14 working days, the Co-Chairs would be required to call a meeting of the Committee under section 13.10 of the statutes and notify the Secretary that a meeting has been scheduled.

FISCAL EFFECT

The bill would require the WCC Board to contract with a non-profit corporation with experience in natural resources conservation and youth training or employment to administer and manage the WCC program. The Department of Administration would be required to provide staff support necessary for WCC Board operations, including assisting the Board with the management contract, budgeting, payroll, and accounting functions for the WCC Board and WCC Board staff. This is consistent with other state boards currently attached to DOA.

The bill would not create any state positions. The former WCC program had 8.5 state staff, regional crew leaders, crew leaders, and work crew members. At its height, the former WCC program had approximately 55 crews with approximately 375 individuals employed. However, given that it is uncertain how many projects the NCSB would fund, it is likely the WCC program created under the bill would be smaller than the original WCC.

DOA estimates that an additional 1.5 positions and approximately \$85,000 in salary and fringe benefits would be necessary for DOA to provide administrative support for the WCC Board. This would include 0.5 position for administrative responsibilities such as scheduling Board meetings, processing correspondence, and record keeping and 1.0 position to assist the WCC Board in administrative rule-making, contracting, reviewing and evaluating grants, submitting approved grants to the NCSB, and meeting other reporting requirements. The Department assumes WCC program management and work project related functions would be performed by the contractor. The DOA fiscal note states that the costs of the contract with a nonprofit organization for program management are unknown at this time. It is uncertain what staffing and other costs would be incurred under the contract.

The bill does not authorize additional expenditure authority for operation of the WCC program. Instead, the bill would authorize DOA, subject to certain limitations, to transfer from sum certain appropriations in executive branch agencies to the DOA appropriation for WCC general program operations (which could include Board expenses, DOA administrative support, and management contract costs) from the effective date of the substitute amendment, until the date of publication of the 2011-13 biennial budget act. Therefore, the effect of the substitute amendment would be to decrease funds available for other programs, or agencies, in order to provide operational funds for the WCC. All funds transferred prior to enactment of the 2011-13 budget would be available for WCC operations until exhausted.

The bill would require the Secretary of Natural Resources, or designee, and the Executive Secretary of BCPL to be a member of the WCC Board, which would result in some DNR and BCPL staff time dedicated to WCC Board responsibilities.

While the bill would allow the NCSB to provide funding for WCC projects, it would not require the NCSB to provide funding for a particular number of WCC projects. WCC program participants receiving Americorps funds through NCSB would be also be eligible for federal Americorps education awards to be used toward tuition, training, and qualifying student loans. In program year 2009-10, federal Americorps program funds of over \$6.1 million were authorized to be distributed by the Wisconsin NCSB to 24 program sponsors, to provide funding for up to 981 authorized Americorps program participants (approximately \$6,200 per participant). The 24 projects are shown in the attachment. These participants also are eligible to receive education awards estimated at nearly \$3.2 million. DOA indicates that increased federal funding is unlikely to be available to provide funds for WCC programs. Therefore, any funding provided for WCC program participants would likely reduce the amount available for grants to other Americorps program participants.

Assembly Amendment 1 is intended to limit to \$400,000 the amount transferred under the bill until enactment of the 2011-13 budget from other executive branch agencies for WCC Board operations. Other provisions of AA 1 reflect the practices that have been utilized by Joint Finance Co-Chairs for Committee member review and objections under 14-day passive review procedures.

Prepared by: Erin Rushmer
Attachment

ATTACHMENT

2009-10 Program Year Wisconsin Authorized Americorps Projects

<u>Sponsor</u>	<u>Primary City</u>	<u>Project Description</u>	<u>Authorized Participants</u>
Admission Possible	Milwaukee	College Preparation Program - ACT and SAT test preparation services, financial aid consulting	30
Board of Regents of the UW System	Madison/Statewide	Project Grow - kindergarten readiness	40
Boys and Girls Club of Greater Milwaukee	Milwaukee/Waukesha	Spark Literacy Program and Environmental Education Initiative	50
Beloit Fresh Start	Beloit	Build new houses, renovate existing houses for sale to eligible low-income homebuyers	20
Dane County Human Services	Madison	Partners for Afterschool Success tutoring program	25
Easter Seals Wisconsin	Madison/Statewide	Rural therapeutic recreation programs for children and adults with developmental disabilities	42
Indianhead Fresh Start	Ladysmith	Build new houses, conduct housing restoration projects, and environmental preservation projects, in Rusk, Sawyer, and Washburn counties and on the Lac Courte Oreilles Reservation	20
Marshfield Clinic Research Foundation	Marshfield/Statewide	Work with local coalitions at 42 sites to provide program support, planning, tutoring, and mentoring to strengthen local efforts to address behavioral health issues including alcohol, tobacco, and other drug abuse and related problems	50
Milwaukee Christian Center	Milwaukee	Youthbuild program- build new, energy efficient houses for sale to eligible low-income homebuyers	25

<u>Sponsor</u>	<u>Primary City</u>	<u>Project Description</u>	<u>Authorized Participants</u>
Milwaukee Teacher Education Center	Milwaukee	Participants are teachers involved in service learning projects designed to strengthen them as educators and citizens	175
North Central Community Action Program	Wausau	Mentor and tutor students in elementary, middle, and secondary schools	32
Operation Fresh Start	Madison	Build new houses, renovate existing houses for sale to first-time, eligible low-income homebuyers; also conduct environmental restoration projects for the Madison Parks Department	77
Partners for Community Development	Sheboygan	Hispanic Information Center- assist Hispanic community members in utilizing existing community services	19
Public Allies Milwaukee	Milwaukee	Full-time, paid apprenticeships at nonprofit organizations	35
Renewal Unlimited Inc. Fresh Start	Portage	Build new homes for sale to eligible low income homebuyers	36
United Way of Dane County Schools of Hope	Madison	Place and support trained tutors in early childhood programs and elementary schools	46
UW-Oshkosh Americorps Connects	Oshkosh/Fox Cities	Tutoring, mentoring, and youth development in collaboration with schools and other non-profit organizations	61
Wausau Fresh Start	Wausau	Build new homes for sale to eligible low-income homebuyers	20
Western Dairyland Fresh Start	Independence	Build new homes for sale to eligible low-income homebuyers	20
Department of Agriculture, Trade and Consumer Protection	Madison/Statewide	Farm to School - work with school food service personnel to identify ways to bring local, healthy foods into participating schools	11

<u>Sponsor</u>	<u>Primary City</u>	<u>Project Description</u>	<u>Authorized Participants</u>
Department of Public Instruction	Madison/Statewide	Tutoring, recruitment and coordination of volunteer programs, and service-learning projects	43
Wisconsin Association of Homeless/Runaway Services	Madison/Statewide	Provide street outreach services and response to referrals from police, schools, and other youth agencies to youth who are homeless or runaways or otherwise in crisis	34
Yes Americorps	LaCrosse	Work with non-profits to reduce hunger, promote literacy and public safety, and expand volunteer services	48
YMCA Americorps	Milwaukee/Osceola	Work in YMCA programs, and conduct external service projects; some participants also work with Philadelphia Community Farms in Osceola	22
Total Authorized Participants			981