# 1999 DRAFTING REQUEST

# **Assembly Amendment (AA-AB133)**

Received: 06/5/99				Received By: yacketa				
Wanted: As time permits				Identical to LRB:  By/Representing: Simpson  Drafter: yacketa				
For: Legislative Fiscal Bureau  This file may be shown to any legislator: NO								
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See Atta	ached;							
 Draftin	g History:							
Vers.	Drafted	Reviewed	Typed	Proofed	Submitted	Jacketed	Required	
/1	yacketa 06/8/99	jgeller 06/9/99	martykr 06/9/99		lrb_docadmin 06/9/99			
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and has been unable to find an unsubsidized job. Further, specify that a W-2 agency must place a person who is incapable of performing an up-front job search in a subsidized employment position immediately upon determining that the person meets the eligibility requirements.

- 10. LFB Paper #1084. Alternative A2. Modify the Governor's recommendation by providing \$3,519,000 in 1999-00 for start-up funding for new W-2 agencies. This option assumes that 17 new agencies would receive an average of \$207,000, based on the average start-up funding provided for the initial contracts for all of the agencies outside of Milwaukee County. Compared to the bill, this is a decrease of \$3,665,400 FED.
- 11. LFB Paper #1084. Alternative B1. Modify the Governor's recommendation by placing start-up funding in the Joint Committee on Finance's program supplements appropriation. The funding could be released under s. 13.10 upon approval by the Committee of a plan regarding the use of these funds submitted by the Department after more information is available regarding the number of new W-2 agencies for the next contract period.
  - 12. LFB Paper #1085. Alternative 2. Modify the Governor's proposal by requiring DWD to contract with an existing W-2 agency to administer the W-2 program if that agency has met the performance standards established by the Department with input from a statewide advisory group. Require the Department to establish a process for public input into the W-2 program, including the contract process, similar to the process established by DHFS with respect to the managed care program, including forming a statewide advisory group, regional forums and special workgroups to address issues of concern to interested parties. Direct the Department to allow all members of the public to participate in the workgroups. Specify that these provisions would first apply to the performance standards included in the third round of W-2 agency contracts.
  - 13. LFB Paper #1086. Alternative A1. Direct the Department to amend the request for proposals for administration of the W-2 program for the period January 1, 2000 through December 31, 2001 to define the term "entered employment transaction" under the job retention performance criterion.
  - 14. LFB Paper #1086. Alternative A3. Direct the Department to modify the "full and appropriate engagement" criterion as follows: (a) define full and appropriate engagement for each individual who is required to participate in the food stamp employment and training (FSET) program as engagement in activities equal to the household's monthly food stamp benefit divided by the minimum wage; (b) eliminate the provision that would specify that full and appropriate engagement for W-2 subsidized employment participants is engagement in appropriate activities for at least 30 hours per week; and (c) clarify that for two-parent families, engagement in work activities is defined as 55 hours per week for both parents if the family is receiving federally funded child care assistance and the second parent in the family is not disabled or caring for a severely disabled child.
  - 15. LFB Paper #1086. Alternative B1. Modify the bill by adopting statutory provisions to require DWD to base any profit calculation under the W-2 agency contracts on measures of agency performance including: (a) the placement of W-2 applicants and participants into

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## Legislative Fiscal Bureau

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

June 1, 1999

Joint Committee on Finance

Paper #1086

#### **TANF**

# W-2 Agency Profits and Performance Standards (DWD -- Economic Support and Child Care)

[LFB 1999-01 Budget Summary: Page 680, #5]

#### **CURRENT LAW**

Current law does not include a specific formula or guidelines regarding how profit is calculated under the W-2 agency contracts.

#### **GOVERNOR**

No provision.

#### **DISCUSSION POINTS**

- 1. Under the bill, \$7,490,700 in 1999-00 and \$14,981,300 in 2000-01 would be provided for performance bonuses under the next W-2 agency contracts which would begin January 1, 2000. In addition, the W-2 agency contracting process would be modified to require that DWD contract with an existing W-2 agency to administer W-2 if that agency has met the performance standards established by the Department during the immediately preceding contract period. The contract allocations and contracting process are each discussed in separate papers.
- 2. This paper addresses several issues regarding the profit formula in the next W-2 agency contracts. Under the next contracts, profit would be based on certain performance standards that have been included in the Department's request for proposals (RFP) for the administration of the W-2 program. In addition, the profit formula provides that certain funds would have to be

reinvested in the community. The performance standards and community reinvestment provisions are also discussed below.

## **Background Regarding Current W-2 Agency Contracts**

- 3. The current W-2 agency implementation contract includes funding for subsidized employment benefits, W-2 office costs, and other program expenses. The contract period is September 1, 1997, through December 31, 1999. Each agency contract provides that any funding in excess of that used for benefits and other allowable expenses is to be distributed according to a formula developed by DWD.
- 4. The formula establishes a two-tier distribution system for excess agency funds. Under the first tier, the agency is allowed to retain an amount equal to 7% of the implementation contract amount as unrestricted profit. Under the second tier, any remaining surplus funds are divided between the agency and the state as follows: (a) 10% is retained by the agency for unrestricted use; (b) 45% is retained by the agency for reinvestment in the community; and (c) 45% is retained by the state. If unexpended funds are less than 7% of the contract amount, the entire surplus is retained by the agency and the second-tier calculation does not apply.
- 5. The contract provides for a preliminary profit distribution based on expenditures through August 31, 1998. Under the preliminary profit provisions, up to 75% of the unexpended funding for the first year of the contract could be distributed. Based on data through August 31, 1998, the maximum amount of unexpended funding that could have been distributed in 1998-99 was \$98.5 million. Of this amount: (a) up to \$25 million in unrestricted funds could have been retained by W-2 agencies (the 7% first-tier amount plus 10% of the remainder); (b) up to \$36.7 million could have been distributed to the agencies for community reinvestment statewide; and (c) up to \$36.7 million would have been retained by the state.
- 6. The 7% portion of preliminary profits was distributed in December, 1998. The remaining portion was to be distributed upon approved by DWD of a plan submitted by the agency for spending community reinvestment funds. The Department has approved plans for all but two agencies that submitted them.
- 7. Agencies were allowed to choose the amount of preliminary profit they would receive. Statewide, \$16.3 million was distributed from the 7% first-tier amount, \$2.6 million was distributed from the 10% second-tier amount, and \$13.7 million in community reinvestment dollars was requested.
- 8. The remaining portion of profit will be distributed within six months of the close of the current W-2 contract, which will expire on December 31, 1999. The state share of profit is estimated at \$95 million, and has been included in the estimate of profit return shown in a separate issue paper. These dollars are included in the revenues available for the W-2 and related programs.
  - 9. Under the current profit formula, the amount of profit available to an agency directly

depends upon the amount of unspent funding available at the close of the contract period, without regard to the agency's success in placing W-2 participants in unsubsidized jobs. It has been argued that this arrangement may encourage agencies to focus more on reducing their expenditures than on providing services to eligible participants. The amount of profit available under the current contract has also been criticized as being excessive.

- 10. A recent report by the Legislative Audit Bureau suggests that the Legislature may wish to limit future profits to more reasonable levels by establishing more restrictive limits for profits under future W-2 contracts. Furthermore, the report suggests considering alternative incentives for prospective contractors, such as providing bonuses only if specific performance criteria are met.
- 11. As described in the following sections, the request for proposals for the next W-2 agency contracts both restricts the amount of profit contractors may earn and allows for such bonuses only if specific performance standards are met.

#### W-2 Agency Contracts: January 1, 2000 through December 31, 2001

- 12. On May 19, 1999, the Department issued the final request for proposals for local administration of the W-2 program for the next W-2 agency contract period. The RFP specifies that W-2 agencies will be required to meet certain performance criteria, as described in more detail below. For each of the six criteria, a three-standard system is established. Agencies must meet the base standard in order to meet the right of first selection criteria for the subsequent W-2 agency contract. Agencies meeting the second and third standards will be eligible for performance bonuses as described in the following paragraphs. The potential performance bonus amounts by agency are shown in Attachment 1. For the 24-month contract period, the statewide total profit allocation would be approximately \$30 million.
- 13. An amount equal to 7% of the total contract amount will be reserved for performance bonuses, of which 4% could be awarded for restricted-use bonuses and 3% could be awarded for unrestricted use. In order to obtain a portion of the 4% bonus, the agency would have to meet the second standard set forth in the performance criteria. If an agency meets or exceeds the second-level standard for a certain criterion, the agency would receive an amount equal to one-sixth of 4% of the total contract amount for that criterion. Use of these funds would be restricted to programs that meet temporary assistance to needy families (TANF) requirements identified in a plan submitted by the W-2 agency and approved by the Department. Although not identified as community reinvestment dollars under the RFP, the administration has indicated that these funds are to be invested in community programs.
- 14. In order to obtain a portion of the 3% bonus, the agency would have to meet or exceed the third standard set forth in the performance criteria. If an agency meets or exceeds the third-level standard for a certain criterion, the agency would receive an amount equal to one-sixth of 3% of the total contract amount for that criterion. Use of these funds would be unrestricted.

#### Performance Standards Under the RFP

15. As described above, the Department will issue performance bonuses to agencies that meet certain performance criteria. Under the RFP, these criteria are: (a) the entered employment placement rate; (b) the wage rate; (c) job retention and performance; (d) full and appropriate engagement of participants in required activities; (e) basic education for participants; and (f) available employer-provided health insurance benefits. In addition, there are two optional criteria: contracting with a faith-based provider and completion of skills training. Each of these criteria is described in more detail below.

## The Entered Employment Rate

16. The entered employment rate is calculated as the number of W-2 subsidized employment, food stamp employment and training (FSET), and case management cases that receive full and part-time jobs lasting at least 30 days divided by the total number of such cases served by the agency. In order to meet the base level standard, 35% of the cases served by the agency must receive a full or part-time job lasting at least 30 days. The second level standard increases this percent to 40%, and under the third level standard the percentage is increased to 45%.

### The Wage Rate

17. The base wage rate is defined as the wage rate attained during calendar year 1998 for the agency's FSET and W-2 participants that received full and part-time jobs, increased by 2.5%. Under the second level standard, the wage rate would have to be higher than the 1998 wage rate by 5%, and under the third level standard the percentage is increased to 10%. According to DWD, the average wage rate statewide in 1998 was \$6.51.

#### Job Retention

- 18. The job retention performance rate is calculated for each of the following: (a) the percentage of participants who have entered employment and remain employed after 30 days; and (b) the percentage of participants who have entered employment and remain employed after 180 days. Under the base-level standard for part (a), this percentage must equal or exceed 75%, increasing to 80% for the second-level standard, and to 85% for the third-level standard. Under the base level standard for part (b), this percentage must equal or exceed 50%, increasing to 55% for the second-level standard and to 60% for the third-level standard.
- 19. One potential problem with this criterion is that it is applied to all cases that have an entered employment transaction recorded. The term "entered employment transaction" is not defined; therefore, it is unclear how this criterion will be measured.

### Full and Appropriate Engagement

20. Full and appropriate engagement is defined as: (a) having a current employability plan for participants; (b) for each individual who is required to participate in the FSET program,

engagement in appropriate activities for 27 hours per week; and (c) for each W-2 subsidized employment participant, engagement in appropriate activities for at least 30 hours per week. In addition, for each two-parent family not receiving state subsidized child care, either parent must be engaged in appropriate activities for 35 hours per week. For each two-parent family receiving state subsidized child care, both parents must be engaged for a total of 55 hours per week.

- 21. Under the base-level standard, the W-2 agency must show that 80% or more of the total adult participants in FSET and W-2 subsidized employment positions are engaged in appropriate activities as described above. Under the second-level standard, this percentage increases to 85%, and under the third-level standard this percentage increases to 90%.
- 22. The criterion set by the Department is problematic for three reasons. First, the Department would require that individuals who must participate in the FSET program would have to participate for a minimum of 27 hours per week. However, under current federal law, engagement in FSET activities may not exceed the monthly food stamp benefit for the participant's household divided by the minimum wage. The maximum monthly food stamp benefit for a family of three is \$329 per month, which would result in a maximum participation requirement of approximately 15 hours per week. For a family of two, the maximum participation rate would be about 11 hours per week.
- 23. Second, current state law provides an agency with the flexibility to assign participants to required work and educational and training activities. The W-2 agency may require a CSJ participant to work up to 30 hours per week in the CSJ and to participate in educational and training activities for up to 10 hours per week. Similarly, transitional placement participants may be required to engage in work activities (including alcohol and other drug abuse treatment, mental health activities, counseling and physical rehabilitation) for up to 28 hours per week and to participate in educational and training activities for up to 12 hours per week. The agency is given this flexibility in order to ensure that participants are engaged to the extent of their abilities. Because individuals remaining on the caseload are the hardest to serve cases, such cases may be limited in their ability to engage in activities. Under the RFP, agencies would have an incentive to assign activities to participants for 30 hours per week, even though it may not be in the best interest of the participant.
- 24. Finally, the Department's requirements for two-parent families do not conform with federal or state law. Under these laws, both parents would have to be engaged in work activities for 55 hours per week only if the family receives federally funded child care assistance and the second parent in the two-parent family is not disabled or caring for a severely disabled child. This criterion should be modified to exempt families who have a disabled member.

#### **Basic Educational Activities**

25. Under this criterion, appropriate education and training must be provided for all adult participants in the food stamp employment and training program and W-2 subsidized employment positions who do not have a high school diploma or its equivalent. Basic education

may include a high school diploma or its equivalent, literacy, job skills training and English as a Second Language (ESL). Under the base standard, W-2 agencies would have to show that at least 80% or more of participants who are not high school graduates are engaged in appropriate educational activities. Under the second level standard, this percentage increases to 85%, and under the third level standard, this percentage increases to 90%.

#### Available Employer-Provided Health Insurance Benefits

26. This criterion measures whether FSET and W-2 participants with an entered employment transaction have employer-provided health insurance available no later than 180 days after receiving a job. Under the base standard, at least 30% of participants who have entered employment must indicate that employer health insurance is available. Under the second level standard, this percentage increases to 35%, and to 40% under the third level standard.

#### Optional Criteria

- 27. The Department has included the following two optional criteria in the RFP. If an agency has not met the third-level standard for one of the other criteria, it may substitute one of the optional criteria and be eligible to receive the 3% funding for that criterion, if it has met both the base standard and the second-level standard as well.
- 28. Faith Based Contracts. This criterion can be invoked if a W-2 agency has entered into a contract with a faith-based provider to provide face-to-face services to W-2 participants in return for funding from the W-2 agency contract, and a contract with a faith-based provider is signed and in effect for seven of the eight quarters of the W-2 contract period.
- 29. Under current state law, the Department and its contractors are allowed to contract with religious organizations under any program administered by the Department, on the same basis as any other non-governmental provider without impairing the religious character of the organization and without diminishing the religious freedom of beneficiaries of assistance under the programs. The Department has indicated that this criterion would encourage W-2 agencies to contract with religious organizations.
- 30. State law specifies that religious organizations are eligible, on the same basis as any other private organization, as contractors. However, the criterion established by the Department does not require that the faith-based provider be the best provider of the services. Therefore, by allowing a W-2 agency to use this criterion as a substitute for a performance standard that is used in determining the agency's unrestricted profit amount, faith-based providers would have an advantage over other community organizations that may be better providers.
- 31. Basic Skills/Job Skills Attainment. Under this criterion, 50% of the W-2 agency's subsidized employment and FSET participants that are assigned to basic skills or job skills

training must complete the required training successfully. This standard is a measure of whether agencies are providing training activities that are appropriate for participants.

#### **Options for Additional Legislative Oversight**

- 32. In a letter to the Secretary of DWD dated December 2, 1998, the Co-chairs of the Joint Committee on Finance encouraged the Department to base any profit calculation under the new W-2 agency contracts on measures of agency performance including the placement of W-2 applicants and participants into unsubsidized jobs, whether the jobs are full-time or part-time, job retention by former applicants or participants, wages and benefits earned by former applicants or participants, appropriate implementation of all components of the program and customer satisfaction. In addition, the Co-chairs indicated that the new contracts should not permit agencies to receive profits based on caseload decreases or reduced agency spending that are not directly attributable to placement of W-2 participants in unsubsidized employment. The Co-chairs also encouraged the Department to develop a system to track former applicants and participants to ensure that agency performance is reliably measured.
- 33. In response, DWD has incorporated several of the measures described above into the performance criteria included in the draft RFP. If the Committee wishes to ensure that these measures are included in future contracts, and to include the additional measures outlined by the Co-chairs (such as customer satisfaction), the Committee could place these general guidelines in the statutes.
- 34. Certain criteria in the RFP raise issues that the Committee may wish to address. Additional legislative oversight and public input could help address these issues for future contracts as well. The Senate Committee on Aging and Human Services has recommended that the Department be required to promulgate rules regarding the outcome-based criteria and profit formula that would be used for any future contracts.
- 35. Finally, as noted earlier, a portion of the profit would be used for reinvestment in the community (called the "restricted use performance bonus" under the RFP) under a plan approved by the Department. Concerns have been raised regarding the community reinvestment funding under the current profit formula. Currently, the Legislature maintains no oversight with regard to how an agency spends community reinvestment dollars. Funds are distributed according to guidelines established by the Department.
- 36. One concern that agencies have raised is that the criteria for use of the community reinvestment funds were released within a short period of time prior to the due date for the submission of community reinvestment plans to the Department last fall when the preliminary profit formula was calculated. Agencies have indicated that there was insufficient time to coordinate with other organizations within their communities and to develop adequate proposals. Therefore, 20 agencies did not access these funds, and 15 agencies requested less than the full amount available.

- 37. In addition, the guidelines established by the Department were developed prior to the release of final federal regulations regarding the use of funding under the TANF program. Therefore, the Department's guidelines were somewhat restrictive about how the community reinvestment funding could be used. Several agencies have expressed that additional flexibility would be advantageous. The Department could include additional flexibility in future guidelines.
- 38. Community reinvestment dollars could be used to meet pressing needs in the community, and the Legislature has an interest in ensuring that funding is provided to programs in need of additional resources. Therefore, to provide additional legislative oversight, the Committee may wish to require that DWD promulgate administrative rules regarding the criteria for use of the community reinvestment funding.
- 39. However, one disadvantage to the rule-making process is that rules would likely not become effective prior to the end of the current contract period on December 31, 1999. In order to provide additional legislative oversight into the guidelines to be used under the final profit distribution for community reinvestment funds, the Committee could require the Department to submit proposed guidelines to the Joint Committee on Finance, under a 14-day passive review process.

#### **ALTERNATIVES**

#### A. Modifications to the Current RFP

The following four alternatives are intended to provide guidance to the Department in developing performance standards for the W-2 agency contracts for the period January 1, 2000 through December 31, 2001.

- 1. Direct the Department to amend the request for proposals for administration of the W-2 program for the period January 1, 2000 through December 31, 2001 to define the term "entered employment transaction" under the job retention performance criterion.
  - 2. Direct the Department to eliminate the "full and appropriate engagement" criterion.
- 3. Direct the Department to modify the "full and appropriate engagement" criterion as follows: (a) define full and appropriate engagement for each individual who is required to participate in the FSET program as engagement in activities equal to the household's monthly food stamp benefit divided by the minimum wage; (b) eliminate the provision that would specify that full and appropriate engagement for W-2 subsidized employment participants is engagement in appropriate activities for at least 30 hours per week; and (c) clarify that for two-parent families, engagement in work activities is defined as 55 hours per week for both parents if the family is receiving federally funded child care assistance and the second parent in the family is not disabled or caring for a severely disabled child.

4. Direct the Department to eliminate the faith-based provider criterion.

#### B. Ongoing Statutory Changes

- 1. Modify the bill by adopting statutory provisions to require DWD to base any profit calculation under the W-2 agency contracts on measures of agency performance including: (a) the placement of W-2 applicants and participants into unsubsidized jobs; (b) whether the jobs are full-time or part-time; (c) job retention by former applicants or participants; (d) wages and benefits eamed by former applicants or participants; (e) appropriate implementation of all components of the program; and (f) customer satisfaction. In addition, specify that W-2 agency contracts may not permit agencies to receive profits based on caseload decreases or reduced agency spending that are not directly attributable to placement of W-2 participants in unsubsidized employment. Finally, require the Department to develop a system to track former applicants and participants to ensure that agency performance is reliably measured.
- 2. Modify the bill by requiring the Department to promulgate rules regarding the outcome-based performance criteria and profit formula that would be used for any W-2 agency contracts.
- 3. Modify the bill by requiring the Department to promulgate administrative rules regarding the criteria for use of the community reinvestment funding (called the "restricted use performance bonus" under the RFP for the next W-2 agency contracts).
- 4. Modify the bill by requiring the Department to submit proposed guidelines for the use of the community reinvestment funding under the current W-2 agency contracts to the Joint Committee on Finance, under the 14-day passive approval process.

Prepared by: Joanne T. Simpson

Attachment

ATTACHMENT 1

Performance Bonus Allocation

For W-2 Agency Contracts January 1, 2000, through December 31, 2001

		7%	4% Community Reinvestment			
	Total	Performance			3% Unrestricted	
	Allocation	<b>Bonus</b>	Total	Per Criterion	Total	Per Criterion
Adams	\$509,300	\$35,700	\$20,400	\$3,400	\$15,300	\$2,500
Ashland	688,400	48,200	27,500	4,600	20,700	3,400
Barron	1,386,500	97,100	55,500	9,200	41,600	6,900
Bayfield	400,000	28,000	16,000	2,700	12,000	2,000
Brown	4,293,600	300,600	171,700	28,600	128,800	21,500
Buffalo	450,000	31,500	18,000	3,000	13,500	2,300
Burnett	450,000	31,500	18,000	3,000	13,500	2,300
Calumet	578,700	40,500	23,100	3,900	17,400	2,900
Chippewa	1,846,200	129,200	73,800	12,300	55,400	9,200
Clark	640,300	44,800	25,600	4,300	19,200	3,200
Columbia	908,000	63,600	36,300	6,100	27,200	4,500
Crawford	300,000	21,000	12,000	2,000	9,000	1,500
Dane	19,418,100	1,359,300	776,700	129,500	582,500	97,100
Dodge	1,766,200	123,600	70,600	11,800	53,000	8,800
Door	720,500	50,400	28,800	4,800	21,600	3,600
Douglas	3,271,600	229,000	130,900	21,800	98,100	16,400
Dunn	1,665,600	116,600	66,600	11,100	50,000	8,300
Eau Claire	3,607,800	252,500	144,300	24,100	108,200	18,000
Florence	150,000	10,500	6,000	1,000	4,500	800
Fond du Lac	3,184,700	222,900	127,400	21,200	95,500	15,900
Forest	300,000	21,000	12,000	2,000	9,000	1,500
Grant	842,400	59,000	33,700	5,600	25,300	4,200
Green	689,500	48,300	27,600	4,600	20,700	3,400
Green Lake	615,400	43,100	24,600	4,100	18,500	3,100
Iowa	500,000	35,000	20,000	3,300	15,000	2,500
Iron	150,000	10,500	6,000	1,000	4,500	800
Jackson	716,400	50,100	28,700	4,800	21,500	3,600
Jefferson	1,161,900	81,300	46,500	7,700	34,900	5,800
Juneau	1,463,700	102,500	58,500	9,800	43,900	7,300
Kenosha	10,621,000	743,500	424,800	70,800	318,600	53,100
Kewaunee	250,000	17,500	10,000	1,700	7,500	1,300
La Crosse	4,744,600	332,100	189,800	31,600	142,300	23,700
Lafayette	200,000	14,000	8,000	1,300	6,000	1,000
Langlade	994,500	69,600	39,800	6,600	29,800	5,000
Lincoln	688,200	48,200	27,500	4,600	20,600	3,400
Manitowoc	882,300	61,800	35,300	5,900	26,500	4,400
Marathon	4,222,400	295,600	168,900	28,100	126,700	21,100
Marinette	878,800	61,500	35,200	5,900	26,400	4,400
Marquette	400,000	28,000	16,000	2,700	12,000	2,000
Menominee	819,800	57,400	32,800	5,500	24,600	4,100
Milwaukee - Region 1	42,595,400	2,981,700	1,703,800	284,000	1,277,900	213,000
Milwaukee - Region 2	43,239,000	3,026,700	1,729,600	288,300	1,297,200	216,200

## **ATTACHMENT 1 (continued)**

	Total	7% Performance	4% Community Reinvestment		3% Unrestricted	
	Allocation	Bonus	Total	Per Criterion	Total	Per Criterion
Milwaukee - Region 3	\$55,050,600	\$3,853,500	\$2,202,000	\$367,000	\$1,651,500	\$275,300
Milwaukee - Region 4	53,162,900	3,721,400	2,126,500	354,400	1,594,900	265,800
Milwaukee - Region 5	48,988,500	3,429,200	1,959,500	326,600	1,469,700	244,900
Milwaukee - Region 6	52,592,500	3,681,500	2,103,700	350,600	1,577,800	263,000
Monroe	\$1,794,300	\$125,600	\$71,800	\$12,000	\$53,800	\$9,000
Oconto	766,700	53,700	30,700	5,100	23,000	3,800
Oneida	1,295,800	90,700	51,800	8,600	38,900	6,500
Outagamie	3,912,200	273,900	156,500	26,100	117,400	19,600
Ozaukee	808,100	56,600	32,300	5,400	24,200	4,000
Pepin	200,000	14,000	8,000	1,300	6,000	1,000
Pierce	736,000	51,500	29,400	4,900	22,100	3,700
Polk	846,900	59,300	33,900	5,600	25,400	4,200
Portage	1,464,700	102,500	58,600	9,800	43,900	7,300
Price	744,900	52,100	29,800	5,000	22,300	3,700
Racine	8,307,300	581,500	332,300	55,400	249,200	41,500
Richland	450,000	31,500	18,000	3,000	13,500	2,300
Rock	5,352,500	374,700	214,100	35,700	160,600	26,800
Rusk	400,000	28,000	16,000	2,700	12,000	2,000
Sauk	1,248,800	87,400	50,000	8,300	37,500	6,200
Sawyer	834,000	58,400	33,400	5,600	25,000	4,200
Shawano	1,216,600	85,200	48,700	8,100	36,500	6,100
Sheboygan	1,754,800	122,800	70,200	11,700	52,600	8,800
St. Croix	842,900	59,000	33,700	5,600	25,300	4,200
Taylor	450,000	31,500	18,000	3,000	13,500	2,300
Trempealeau	854,500	59,800	34,200	5,700	25,600	4,300
Vernon	597,000	41,800	23,900	4,000	17,900	3,000
Vilas	450,000	31,500	18,000	3,000	13,500	2,300
Walworth	2,082,700	145,800	83,300	13,900	62,500	10,400
Washburn	505,000	35,400	20,200	3,400	15,200	2,500
Washington	1,658,200	116,100	66,300	11,100	49,700	8,300
Waukesha	4,043,400	283,000	161,700	27,000	121,300	20,200
Waupaca	1,291,700	90,400	51,700	8,600	38,800	6,500
Waushara	749,400	52,500	30,000	5,000	22,500	3,700
Winnebago	4,253,800	297,800	170,200	28,400	127,600	21,300
Wood	2,752,700	192,700	110,100	18,400	82,600	13,800
Bad River Tribe	400,000	28,000	16,000	2,700	12,000	2,000
Lac du Flambeau Tribe	1,350,600	94,500	54,000	9,000	40,500	6,800
Oneida Tribe	616,300	43,100	24,700	4,100	18,500	3,100
Statewide Total	\$428,037,400	\$29,962,600	\$17,121,500	\$2,853,600	\$12,841,100	\$2,140,200

Note: Current Providers in Milwaukee Regions:

Region 1 - YW Works

Region 2 - United Migrant Opportunity Services, Inc.

Region 3 - Opportunities Industrialization Center of Greater Milwaukee

Region 4 - Employment Solutions, Inc.

Region 5 - Employment Solutions, Inc.

Region 6 - MAXIMUS, Inc.



# State of Wisconsin 1999 - 2000 LEGISLATURE

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LFB:.....Simpson - Definition of terms in W-2 contracts

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

## LFB AMENDMENT

## TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

At the locations indicated, amend the bill as follows: 1 of workforce development 1. Page 1427, line 8: after that line insert: TERMINOLOGY IN REQUEST FOR PROPOSALS. The department shall amend its request for proposals for administration of Wisconsin works for the period beginning January 1, 2000 and ending December 31, 2001 to do all of the following: (a) Definition of "entered employment transaction". Define the term "entered 6 employment transaction" under the job retention performance criterion. 7 (b) Full and appropriate engagement. Modify the full and appropriate 8 engagement" criterion by doing all of the following: 9 1. Specifying that "full and appropriate engagement" with respect to an 10

individual who is required to participate in the food stamp employment and training

- program means engagement in required activities for an amount of time equal to the individual's household's monthly food stamp benefit divided by the minimum wage.
- 2. Eliminating the provision that specifies that "full and appropriate engagement" with respect to participants in Wisconsin works employment positions means engagement in appropriate activities for at least 30 hours per week.
- 3. Clarifying that, in 2-parent families who are participants in Wisconsin works, the requirement that one parent work at least 35 hours per week and that the combined work hours of both parents be at least 55 hours per week applies only with respect to 2-parent families that receive federally funded child care and only if the 2nd parent in the family is not disabled or caring for a severely disabled child.".

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# State of Misconsin 1999 - 2000 LEGISLATURE

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LFB:.....Simpson - Definition of terms in W-2 contracts

# FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

## LFB AMENDMENT

# TO 1999 ASSEMBLY BILL 133 AND 1999 SENATE BILL 45

1	At the locations indicated, amend the bill as follows:
2	1. Page 1427, line 8: after that line insert:
3	"(2c) Terminology in request for proposals. The department of workforce
4	development shall amend its request for proposals for administration of Wisconsin
5	works for the period beginning January 1, 2000, and ending December 31, 2001, to
6	do all of the following:
7	(a) Definition of "entered employment transaction". Define the term "entered
8	employment transaction" under the job retention performance criterion.
9	(b) Full and appropriate engagement. Modify the "full and appropriate
10	engagement" criterion by doing all of the following:
11	1. Specifying that "full and appropriate engagement" with respect to an
12	individual who is required to participate in the food stamp employment and training

- program means engagement in required activities for an amount of time equal to the individual's household's monthly food stamp benefit divided by the minimum wage.
- 2. Eliminating the provision that specifies that "full and appropriate engagement" with respect to participants in Wisconsin works employment positions means engagement in appropriate activities for at least 30 hours per week.
- 3. Clarifying that, in 2-parent families who are participants in Wisconsin works, the requirement that one parent work at least 35 hours per week and that the combined work hours of both parents be at least 55 hours per week applies only with respect to 2-parent families that receive federally funded child care and only if the 2nd parent in the family is not disabled or caring for a severely disabled child.".

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(END)