

Committee Name:
Joint Committee on Finance – Budget Hearings (JCF_BH)

Appointments

99hr_JCF_BH_Appoint_pt00

Clearinghouse Rules

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Committee Hearings

99hr_JCF_BH_CH_pt00

Committee Reports

99hr_JCF_BH_CR_pt00

Executive Sessions

99hr_JCF_BH_ES_pt00

Hearing Records

99hr_ab0000

99hr_sb0000

Misc.

99hr_JCF_BH__Misc_More_pt15

Record of Committee Proceedings

99hr_JCF_BH_RCP_pt00

Multiple Topics



DANE COUNTY

Kathleen M. Falk
County Executive

Lakes & Watershed Commission

Susan A. Jones
Watershed Management Coordinator

April 15, 1999

Senator Brian Burke, Co-Chair
Joint Finance Committee
Room 316 South
State Capitol
Madison, WI 53707-7882

Representative John Gard, Co-Chair
Joint Finance Committee
Room 315 North
State Capitol
Madison, WI 53708

Dear Senator Burke and Representative Gard:

I appreciate the opportunity to comment on lakes and watershed initiatives in the Governor's Budget on behalf of the Dane County Lakes and Watershed Commission. We strongly support two items in the Governor's proposed budget.

The first is the Wisconsin Waters Initiative, supported by the Governor at the level of 7 positions and \$596,500 over the biennium for waterway protection information technology. Funding this initiative is vital to Dane County for several reasons: our development pressure and the demands it places on county and state staff, the need for up-to-date water resource information on which to base our decisions, and the protection and restoration of our lakes, streams, and wetlands on which a significant sector of our economy depends. While we greatly appreciate the Governor's willingness to fund 7 positions, we support staffing this initiative at 12 positions, as requested by DNR. With the 5 additional positions there is a better chance that DNR staff assistance with our shoreland, wetland, and floodplain zoning decisions will be enhanced; and that better service will be provided to Dane County landowners and developers with state navigable waters permitting.

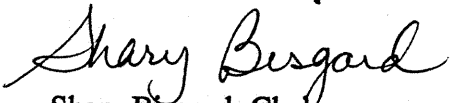
The second item that we strongly support is the Rivers and Streams Grant Program, as enhanced by the Shibilski/Cowles amendment. Together, these would provide \$400,000 per year for two years to bring DNR, the university community, and nonprofit organizations together to protect our rivers. They would also fund a Rivers Coordinator position in DNR to assist us and others on



rivers issues and create a small watershed center at UW-Stevens Point, modeled after the very successful lakes program at UW-Stevens Point. Dane County has 475 river and stream miles, and 14 miles of the Wisconsin River, and the new rivers program would help us protect these resources.

Thank you for considering our comments.

Sincerely,



Shary Bisgard, Chair
Dane County Lakes and Watershed Commission

c: Joint Finance Committee Members
Dane County Lakes & Watershed Commission Members



122 STATE STREET, SUITE 202
MADISON, WISCONSIN 53703
608-257-2424 FAX 608-251-1655
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**TESTIMONY BY TODD L. AMBS
EXECUTIVE DIRECTOR, RIVER ALLIANCE OF WISCONSIN
BEFORE THE STATE LEGISLATURE'S JOINT FINANCE COMMITTEE
APRIL 15, 1999**

**Board of
Directors**

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Adell

Gary Borger
Wausau

Steve Born
Madison

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White Lake

Tom Clarke
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Scott Froehke
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Madison

Tony Kubek
Appleton

Tom Miller
Waupaca

Bill Sievert
Dodgeville

**Executive
Director**

Todd Ambs
Madison

Good morning. My name is Todd Ambs. I am the executive director of the River Alliance of Wisconsin. Formed in 1993, The River Alliance of Wisconsin is a statewide non-profit, non-partisan citizen advocacy organization. The organization's membership includes over 800 individuals, groups and businesses who are working together to protect and restore Wisconsin's rivers, one of the largest memberships of statewide river groups in the country.

I appreciate the opportunity to be here today to speak in support of Governor Thompson's proposal to create a rivers and streams protection program for Wisconsin. This proposal will enable the state to begin to develop a statewide rivers program that can follow in the great conservation tradition of Gaylord Nelson and Warren Knowles in that it is an important first step toward a comprehensive plan to protect Wisconsin's 40,000 miles of rivers and streams.

We are pleased to see this initiative in the Governor's Budget. The Wisconsin Department of Natural Resources also deserves credit for initially suggesting this program as part of their budget submission to the Governor. Today I want to encourage the Joint Finance Committee to support this request and build on it for the future of our rivers.

This proposal makes sense environmentally and economically. One of our organization's main missions is to aid in the development of local river and watershed groups. There are over 100 of these local groups in communities all over our state, and more are being created every week. Having folks at the local level invested in their river and watershed is the only truly effective way to protect our waterways. Working together, local communities, the university community and non-profit groups are poised to take on greater resource responsibilities and the rivers protection grants program sends the message that state government wants and needs their participation.

The real beauty of this work is that it is true hands-on conservation action. These local groups are made up of conservationists, business people, farmers, local government officials and just plain folks that want to do what they can to protect a resource that often flows right through their backyard.

This program also makes sense economically. The request itself includes \$400,000 in Fiscal Year 2000 and \$ 400,000 in Fiscal Year 2001 for this new rivers and streams protection grants fund. The purpose of the fund is to improve and protect the water quality in rivers and riverine ecosystems. The program would be similar to the popular and effective lakes programs, though this effort would focus on protecting Wisconsin rivers and streams.

The River Alliance works closely with these organizations to help them find the resources to protect their streams. They do a great job getting local businesses to donate products and services, use lots of volunteer know-how and elbow grease and do their best to tap into private funding sources. This budget request and anything else that you as a committee may choose to add to it, is money that will be leveraged, stretched and maximized by these organizations.

This idea is not new. Programs like this one are already underway in a number of states including Massachusetts, West Virginia and Oregon. This program can help Wisconsin to become a leader in the nation in efforts to involve people at the local level in collaborative work to protect one of our most valuable resources – our flowing waters.

The rivers and streams grants program is contained in the Wisconsin Waters Initiative portion of the agency request for the Department of Natural Resources (DNR). The Governor's budget request does not include any funding for additional staff positions within the DNR for the rivers and streams program. I would like to urge the committee to consider adding funding for one staff position – the position of statewide rivers coordinator. We have some of the most beautiful and pristine rivers in the nation, yet the DNR does not have a single person working full-time on river issues. It is time to change that. Spending state dollars to aid local volunteer groups work on their rivers and watersheds is much more cost effective than dumping money into a new state bureaucracy. But we do need someone at DNR working full-time on ways to protect the 40,000 miles of rivers and streams in this state.

Let me also take a quick moment to speak in support of the state Stewardship Fund. The state Stewardship Fund was created in 1990 at an annual funding level of \$25 million. Governor Thompson has proposed renewing the program for another ten years at \$30 million per year --- a good start but this amount would give the Fund only 75% of the buying power it had in 1990. Many conservation groups, including the River Alliance, are advocating a figure of \$60 million per year, indexed to land prices so that it would keep pace with inflation over the next ten years. The state Stewardship Fund is a bonding program that makes up only 3% of the state's bonding debt. Therefore, any program expansion would not add any cost to the next two-year budget cycle.

On this day, as many of us are preparing to write large checks to the state and federal government, we as citizens are especially sensitive to the desire to see that hard earned money well spent. It is a pleasure to come before you today to urge your support for these programs that in my estimation are textbook examples of ways to efficiently use state financial resources to protect our precious natural resources.

Thank you.

**PUBLIC TESTIMONY ON STATE BUDGET
TO BE TAKEN BY JOINT FINANCE COMMITTEE**

The Joint Finance Committee will hold a series of public hearings on the proposed 1999-2001 State Budget Bill [SB 45/AB 133] according to the following schedule. All hearings will be held from 10:30 a.m. to 5:00 p.m.

GREEN BAY. Friday, March 26
Brown County Public Library Auditorium
515 Pine Street

OSCEOLA. Wednesday, April 14
Osceola High School Gymnasium
1029 Oakridge Drive

RACINE. Thursday, April 8
J. I. Case High School Auditorium
7345 Washington Avenue

MADISON. Thursday, April 15
State Capitol - Room 411 South

STEVENS POINT. Tuesday, April 13
UW-Stevens Point University Center -
Alumni Room
1015 Reserve Street

*Kim Glaserwood,
Ans Barrett
Madeline Young*

**"LISTENING SESSION" ON STATE BUDGET
SCHEDULED FOR MILWAUKEE**

Senator Gwen Moore (D-Milwaukee) has arranged an opportunity for those in the Milwaukee area to comment on the Governor's proposed 1999-2001 State Budget. Sen. Moore will chair the session and some members of the Joint Finance Committee are expected to attend. The "listening session" will be held on Wednesday, March 31, from 10:00 a.m. to 2:00 p.m. at the Milwaukee Public Schools Administration Building Auditorium, 5225 W. Vliet Street.

HEARINGS SCHEDULED IN THE WEEK AHEAD

MONDAY, MARCH 22

- ◆ **SENATE HEALTH, UTILITIES, VETERANS AND MILITARY AFFAIRS** (Brown County Public Library, 515 Pine Street, Rooms 1 & 2, Green Bay) 11:00 a.m. to 3:00 p.m.

The Committee will take testimony on provisions in Senate Bill 45/Assembly Bill 133, the Governor's proposed 1991-2001 State Budget, that relate to health, utilities, veterans and military affairs. **(FOR INFORMATION)**

- ◆ **JOINT SURVEY COMMITTEE ON RETIREMENT SYSTEMS** (Room 417 N) 1:00 p.m.

The Joint Survey Committee on Retirement Systems (JSCRS) will begin with an informational hearing featuring state agency personnel. Invited representatives, including those from the Department of Employee Trust Funds and the State of Wisconsin Investment Board, will address the committee about the Wisconsin Retirement System (WRS) and their responsibilities relating to the system. The committee will then hear public testimony regarding the proposed University of Wisconsin Optional Retirement System (UWORS). Specifically, recent reports evaluating the UWORS will be addressed: a) *Supplemental Actuarial Valuations of Enhancements to Hybrid Plan Features of the WRS and a Separate Optional Retirement System for University of Wisconsin Employees* prepared by Gabriel, Roeder, Smith & Company on December 21, 1998; b) *A Supplemental Actuarial Study of Proposals to Provide an Optional Retirement Plan for University of Wisconsin Faculty and Academic Staff* prepared by Scott Dennison, the Retirement Research Committee's Research Director, on February 7, 1999. **(FOR INFORMATION)**



**THE LEAGUE
OF WOMEN VOTERS OF WISCONSIN, INC.**

122 State Street, Madison, Wisconsin 53703-2500 608-256-0827 FAX 608-256-28.

**Statement to Joint Committee on Finance Regarding
Natural Resources Provisions in SB45/AB133**

April 1999

Recycling

The business surcharge which provided grants to local governments for recycling programs has not been renewed in the budget, yet local governments depend on state support to help fund the collecting, processing and marketing of recyclables. Since the enactment of the Wisconsin recycling law, more than 40% of trash that used to go to landfills now is recycled. This has saved landfill space, created jobs and resulted in millions of dollars of useful products that did not deplete our natural resources.

Two thousand new jobs have resulted from recycling, and \$70 million worth of usable goods have resulted from the "trash." We have an economically flourishing and environmentally sound program that is popular with Wisconsin citizens. The state should continue to support it. We propose a higher state tipping fee for waste going to landfills as a way to continue funding this program.

Stewardship Fund

We applaud the Governor's proposal to reauthorize the Stewardship Fund at a slightly higher amount. However, even this increase is not adequate to keep up with rising real estate costs. We recommend a fund at \$60 million per year, adjusted annually for inflation, for the next ten years. This amount will keep up with real estate costs and will maintain the original 1990 buying power of the Fund.

Only with adequate funding can the state purchase important parcels as they become available and continue our leadership role in preserving our natural heritage for posterity.

We do not recommend using Stewardship Fund dollars to match U.S. Department of Agriculture dollars for easements under the Conservation Reserve Enhancement Program (CREP). Money for short-term easements for CREP should be provided through a separate Federal Opportunities Fund.

The budget includes planning initiatives for local governments to use in creating comprehensive land use plans. This is a major breakthrough in that the state is taking a leadership role in providing guidelines. However, no incentives nor enforcement mechanisms are proposed.

We believe state funding to provide help with technical support and other costs of planning is necessary to make this program realistic. These dollars should match the funds expended by the local government. In addition, some penalty for non-compliance should apply.

Pesticide Database System

The League of Women Voters has learned of an effort to include the Pesticide Database System in the

budget and would like to make a few comments in support of this program.

We believe in the preservation of the physical, chemical and biological integrity of the ecosystem, with the maximum protection of the public health and the environment. We support comprehensive long-range planning and believe that wise decision making requires adequate data with which alternatives may be weighed and intelligent decisions made. The PDS will provide the necessary data to make informed policy decisions regarding pesticide use as well as the information necessary to study lower impact alternatives to current pesticide use practices.

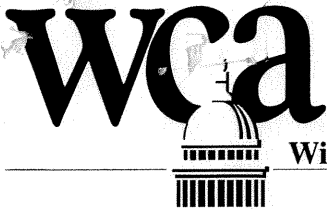
The League believes that current pesticide use practices pose a significant risk to public health and the environment, and that their use should be restricted until such time that the scientific question of their effects can be conclusively resolved. We have worked, over several decades, to reduce the use of pesticides and have been actively involved in advocacy and education projects relating to pesticide groundwater contamination, agricultural and urban alternatives to pesticides practices, local pesticides ordinances, disclosure of pesticide impacts and hazards, rules governing pesticide use near day care centers, schools and playgrounds, pre-notification of pesticide application and citizens right to know.

Throughout League's 77 year history, a fundamental principle has been to promote public understanding and participation in decision making as essential elements of responsible and responsive management of our natural resources. The public access portion of the PDS provides the opportunity for citizens to be informed participants in decision making regarding pesticide use.

We believe that the PDS supports a physical environment that is beneficial to life, promotes wise use of ground and surface water resources and will provide the data necessary to improve Wisconsin's water, air and soil quality while providing the means for informed citizen participation in natural resource decision making.

LWWWI Legislative Committee Contacts:

Frankie Locke 608/257-0554, Kerry Thomas 414-246-3724 or Beverly Speer 608/256-0827



Wisconsin Counties Association

MEMORANDUM

TO: The Honorable Members of the Joint Committee on Finance

FROM: Craig Thompson, Legislative Director

DATE: April 15, 1999

SUBJECT: 1999-01 Biennial Budget

The Wisconsin Counties Association (WCA) has serious concerns regarding the impact the Administration's proposed biennial budget would have on people currently receiving services in our counties as well as the property taxpayers.

WCA along with the Alliance of Cities, the Wisconsin Towns Association and the League of Municipalities is asking you to address five critical areas for local government: 1) Youth Aids; 2) Community Aids; 3) Transportation; 4) Courts; 5) Shared Revenue. The specific proposals for each of these areas are attached.

In the case of counties, services partially funded by Youth Aids, Community Aids and the Circuit Court Support Grant are quite simply state programs administered by county government. These three areas alone accounted for over 450 million property tax dollars statewide last year.

In response to these figures some officials at the state level have asked counties to determine the mandates which are driving property tax spending which should be appropriately rescinded. The following are our recommendations:

RESCIND:

STATE COURT SYSTEM

- ss. 753.19 **Operating costs; circuit court.** The cost of operation of the circuit court for each county, except for the salaries of judges and court reporters provided to be paid by the state, and except for the cost assumed by the state under this chapter and chs. 40 and 230, and except as otherwise provided, shall be paid by the county.

100 River Place, Suite 101 ♦ Monona, Wisconsin 53716 ♦ 608/224-5330 ♦ 800/922-1993 ♦ Fax 608/224-5325

OTHER MANDATES:

YOUTH AIDS

- Chapters 938, 48 and 301 all deal with county responsibilities for providing services to either juveniles at risk or juvenile delinquents including intake, secure detention, children's court etc.

Recommendation: These services are essential to not only the prevention of youth crime but to the general safety of our populace. It would be irresponsible to recommend rescinding the statutory obligation that government, at some level, provide these services. The real question comes down to whether these services should be provided at the local level or by the state. Our recommendation is that we continue our locally administered system but replace the current Youth Aids system with a more equitable funding mechanism. The other option the state could entertain is to not provide any Youth Aids to counties and directly provide and pay for these services at the state level.

COMMUNITY AIDS

- Chapters 51, 48, 46, 55 and others require counties to be the "safety net" for our most vulnerable citizens. **For example:** ss. 51.42(1)(b) *County liability*. The county board of supervisors has the primary responsibility for the well-being, treatment and care of the mentally ill, developmentally disabled, alcoholic and other drug dependent citizens residing within its county and for ensuring that those individuals in need of such emergency services found within its county receive immediate emergency services.

The mandate that counties provide services to these individuals is technically limited to available federal, state and required county matching funds. This limitation becomes absurd, however, when the amount of state and federal funds along with the 9.89% required county "match" of those funds doesn't increase or, as of late, decreases over the years. In order for that "limitation" to be meaningful in the context of decreased funding, counties would have to deny services to a substantial portion of their constituents in need of these services. While counties *have* been forced to place constituents on waiting lists for services, they are contributing over \$220 million of property tax dollars annually above the required "match" to provide services to these people.

Recommendation: We feel it would be irresponsible to recommend rescinding the statutory requirement that government, at some level, provide a "safety net" for vulnerable populations. What we are recommending is that the state reverse the trend of forcing more of these costs onto the property tax. We recommend that the state re-engage in a partnership with county government that has historically provided social service programs that were a model for the

nation. The other alternative open to the state would be to move away from our tradition of a locally administered system by eliminating Community Aids and providing these services directly at the state level. [Note: The state is attempting to do this with the child welfare system in Milwaukee County. What we have witnessed thus far is not a cost savings but rather a significant increase in cost.]

Other Budget Recommendations

- Either eliminate or fully fund the personal property tax exemption for ATM's, fax machines and copiers.
- Modify the "Family Care" proposal to provide statutory language only for the implementation of the nine pilot counties. Allow other models to be tested within those nine pilot counties. Contract with an independent entity to analyze the results of the different pilots in order to provide sound actuarial data for consideration of the most appropriate vehicle for statewide implementation.
- Remove the Farmland Preservation modifications from the budget so that further input can be garnered.
- Eliminate the increase in sales tax administration from 1.5% to 1.75%.
- Other WCA recommendations are included in the attached document.

SHARED REVENUE

Recommendations:

State government should maintain the historic partnership between levels of government in providing services to Wisconsin citizens by:

- **Providing, at a minimum, inflationary increases to counties and municipalities for shared revenue, expenditure restraint, county mandate relief and the small municipalities' shared revenue programs.**
- **Creating incentives for counties to control spending along the lines of the expenditure restraint program.**

Background

Shared revenue — the only county and municipal program that bases its distribution on equalization — has only twice since 1985 received a funding increase at or above the rate of inflation. The last time was in 1990 with the introduction of the expenditure restraint program. Further, the Legislature and the governor have created a tight fiscal situation for the state by approving increased corrections spending and adopting a policy of funding K-12 education at two-thirds of costs.

In the beginning of the shared revenue program, the state kept 10% of the revenue it raised and returned 90% to local governments, a total that included slightly more than 25% of the income tax, a good portion of the corporate income tax and between 11% and 20% of vehicle registration fees.

But by 1988-89, shared revenue accounted for only 14.5% of general fund expenditures, according to the Legislative Fiscal Bureau. A decade later, the program's share of GPR had shrunk to 10%.

In the same period, K-12 education increased from 27.4% of the general fund budget to 39.5%, and corrections increased 160.1%, to a \$378.2 million draw on state tax dollars.

If shared revenue had increased at the rate of inflation over the past decade it would be an \$85.1 million larger program. Had it maintained its 1988-1989 share of the state budget, it would be \$447.9 million larger.

The effects of this shift in state priorities are felt in county and municipal budgets every year. The number of municipalities subject to the shared revenue formula's 5% "hold harmless" in 1999 is 699, and the number of counties that have been told they will be hit by the hold harmless is 43. Similarly, 491 municipalities and 17 counties have had their shared revenue payments capped — at a 2.9% increase for municipalities and a 3.6% increase for counties.

In all, 64% of municipalities and 83% of counties are affected by hold harmless and caps. The longer shared revenue funding is frozen, the more equalization is hampered by the hold-harmless provision.

The governor's budget

Gov. Tommy Thompson's proposed 1999-2001 state budget would not provide any increases in shared revenue, expenditure restraint, county mandate relief, small municipalities shared revenue or payments for municipal services.

The budget would, however, provide a new exemption from local property taxes for fax machines, copiers, cash registers and automated teller machines, effective Jan. 1, 2000. That would remove an estimated \$490 million worth of property from local tax rolls, and shift an estimated \$12 million in property taxes to other taxpayers. ■

YOUTH AIDS

Recommendations:

Short-Term

- **Increase the Youth Aids appropriation over the 98-99 base by 5% in each year of the biennium;**
- **“re-link” in the statutes juvenile corrections rate increases with the requirement that the state increase the Youth Aids appropriation to cover the rate increases; and**
- **update the current formula and hold harmless counties who lose funding under the update.**

Long-Term

- **Require DOC to convene a committee of legislators, county representatives and DOC staff to develop a recommendation for a new Youth Aids funding formula and require that the new formula be used to distribute Youth Aids funding in CY 2001 and**
- **require as part of that group’s work to include the creation of an “education credit” for counties that would be created by a transfer of funds from Department of Public Instruction to DOC that would be sufficient to cover instructional costs for the juvenile corrections populations. That credit would be provided to counties based on their annual JCI census.**

Background:

The Youth Aids audit, released this year by the Legislative Audit Bureau, showed that in 1982 the Youth Aids appropriation funded 92% of all county costs for serving juvenile offenders.

By 1997, it paid for only 45% of the costs. Counties were contributing \$100 million, primarily from property taxes, to fund 55% of the state-mandated program.

In the same year, the state Youth Aids appropriation to counties was \$82.3 million.

Youth Aids provides counties with funding to partially pay for mandated services under Chapter 938 to juvenile offenders and their families. Services are almost exclusively court-ordered and are intended to rehabilitate the juvenile offender, address the concerns of victims and protect the community.

Between 1988 and 1997, local costs for the program grew rapidly due to a 55% increase in juvenile offenses statewide, stagnating Youth Aids increases and increased costs of services fed by institutional rate increases, increased populations, increased out-of-home placements and inflationary costs for services.

Governor’s budget proposal:

Base funding for Youth Aids for 1998-99 is \$82.2 million. The governor’s budget would increase the appropriation by 2% in each year of the biennium, with a total GPR increase of \$6 million. JCI rates increase from \$159.46 to \$159.62 over the biennium. No formula changes are proposed.



TRANSPORTATION AID

Recommendations

The Legislature and Governor should provide property tax relief to communities for transportation-related infrastructure improvements by increasing transportation aids to local governments.

- **Increase segregated funding for local transportation aid and assistance programs¹ by 6% in each year of the biennium. Distribute the additional funding to these programs in the same proportions as the current state budget - 74% for local transportation aid programs, 6% for local transportation project assistance, and 20% for local transit aids.**
- **Exempt all local jurisdictions from the state tax on motor vehicle fuel.**
- **Eliminate the proposed DOT budget provision which would charge local governments a processing fee for each court ordered drivers license suspension for failure to pay a forfeiture that was imposed for violating an ordinance unrelated to the operation of a motor vehicle.**
- **Provide a hold-harmless for municipalities that would lose aid under the proposed limit for traffic police costs.**
- **Continue to apply federal maintenance aid as operating assistance for mass transit assistance.**

Background

Travel on local roads currently accounts for nearly half of all vehicle miles traveled. At present local jurisdictions receive only 29% of segregated transportation fund revenues for general transportation aid and 7.5% for mass transit operating assistance.

As reported by the Legislative Audit Bureau, state aid payments as a percent of local transportation costs have fallen gradually since 1989 as local costs outpaced both aid appropriations and inflation. Local aid as a percentage of the state Transportation Fund has declined from 41.2% in 1997 to 40.8% in 2000, under the 1997-99 budget act.

Mass transit federal shares have been cut significantly. Despite the dramatic growth in the size of urban service areas, mass transit has not received the funding it needs to increase levels of service. This has made it difficult for workers without cars to reach jobs. The need for improved transit has grown under Governor Thompson's W-2 welfare-to-work program.

Governor's budget proposal

Would increase general transportation aids and mass transit assistance by 3% in calendar year 2000 and 0% in 2001. Would limit aid for traffic police costs based on a percentage of total eligible police costs as determined by the department with county and municipal input. Would provide that no municipality may receive a decrease in aid in excess of 2% of its previous year amount. Would charge local governments a processing fee for court-ordered drivers-license suspension for violating municipal ordinances.

■

¹Note - Local Transportation Aids include: General Transportation Aid, Connecting Highway Aid, Flood Damage Aid, Lift Bridge Aid, County Forest Road Aid, Expressway Policing Aid, Demand Management & Ridesharing. Local Transportation Assistance includes: Highway & Local Bridge Improvement, Local Road Improvement. Local Transit Aids include: Mass Transit Operating Assistance, Elderly & Disabled County Aid, Elderly & Disabled Capital Aid.

COMMUNITY AIDS

Recommendations:

- **Increase the Community Aids appropriation by at least 3% in each year of the biennium;**
- **Delete the statutory requirement for performance measures under Community Aids and the reference to withholding \$9 million over the biennium;**
- **Delete the DHFS authority to transfer Community Aids into Family Care, instead require DHFS to negotiate with individual pilots to determine the amount to be transferred in contract; and**
- **Delete the statutory requirement to reduce a county's Community Aids if a former recipient of services funded by the allocation is a participant in the MA purchase plan, which would be created in the governor's budget bill.**

Background:

Community Aids provides counties with funding to partially pay for mandated services to abused and neglected children and their families, adults with serious and persistent mental illness, older adults, adults and children with developmental disabilities, and older adults.

The primary funding under Community Aids is the Basic County Allocation which is made up of four different sources of federal revenue (Social Service Block Grant, Temporary Assistance to Needy Families, Title IV-E reimbursement for foster care and Medical Assistance targeted case management funding) and state general purpose revenue (GPR). Counties are required to provide 9.89% local match for Community Aids.

Community Aids funding has either been frozen or decreased over the past two budget biennia. This and local funding pressures, including increasing client populations and increased costs for services, have pressured counties to "overmatch" Community Aids substantially, with a total of \$252.6 million of county tax dollars going to match and overmatch Community Aids by 1997. That amount is greater than the \$175 million in GPR in Community Aids for the same year.

Governor's budget proposal:

Base funding for Community Aids for 1998-99 is \$305.4 million. Funding under the governor's budget would be \$294.2 million and \$289 million, respectively in each year of the budget biennium, representing a 2.5% and a 1.8% reduction.

The budget also would transfer \$14.3 million over the biennium into Family Care. Further, it proposes **withholding \$9 million over the biennium**, distributing that amount to counties based on performance requirements.

Finally, it proposes **reducing each county's appropriation by an amount to be determined by DHFS** when a county is providing services funded by Community Aids to a consumer with a disability who will receive services under the proposed MA purchase plan.

■

STATE COURT SYSTEM

Recommendations:

- **Amend state statutes to return all dollars collected by the court support filing fee to counties.**
- **Phase in county retention of all fees collected locally by the Clerk of Circuit Court to finance court related expenses (this excludes the circuit court support fee and fees that must be placed in the Common School Fund).**
- **Additionally, increase the Circuit Court Support Grant appropriation in each of the next three biennia to fully fund any remaining unfunded costs.**
- **Provide state public defender representation for parents in CHIPS cases (removed in the 1995-97 state biennial budget).**
- **Provide state public defender representation for all persons found to be indigent.**

Background:

The state court system continues to be one of the largest unfunded mandates placed on county government. According to annual reports filed with the Director of State Courts office, counties spent almost \$90 million in calendar year 1997 on items eligible for reimbursement under the Circuit Court Support Grant appropriation.

Counties also spend additional dollars on items not recognized by the Circuit Court Support Grant program including courtroom

security, rent, maintenance, utilities and indigent defense.

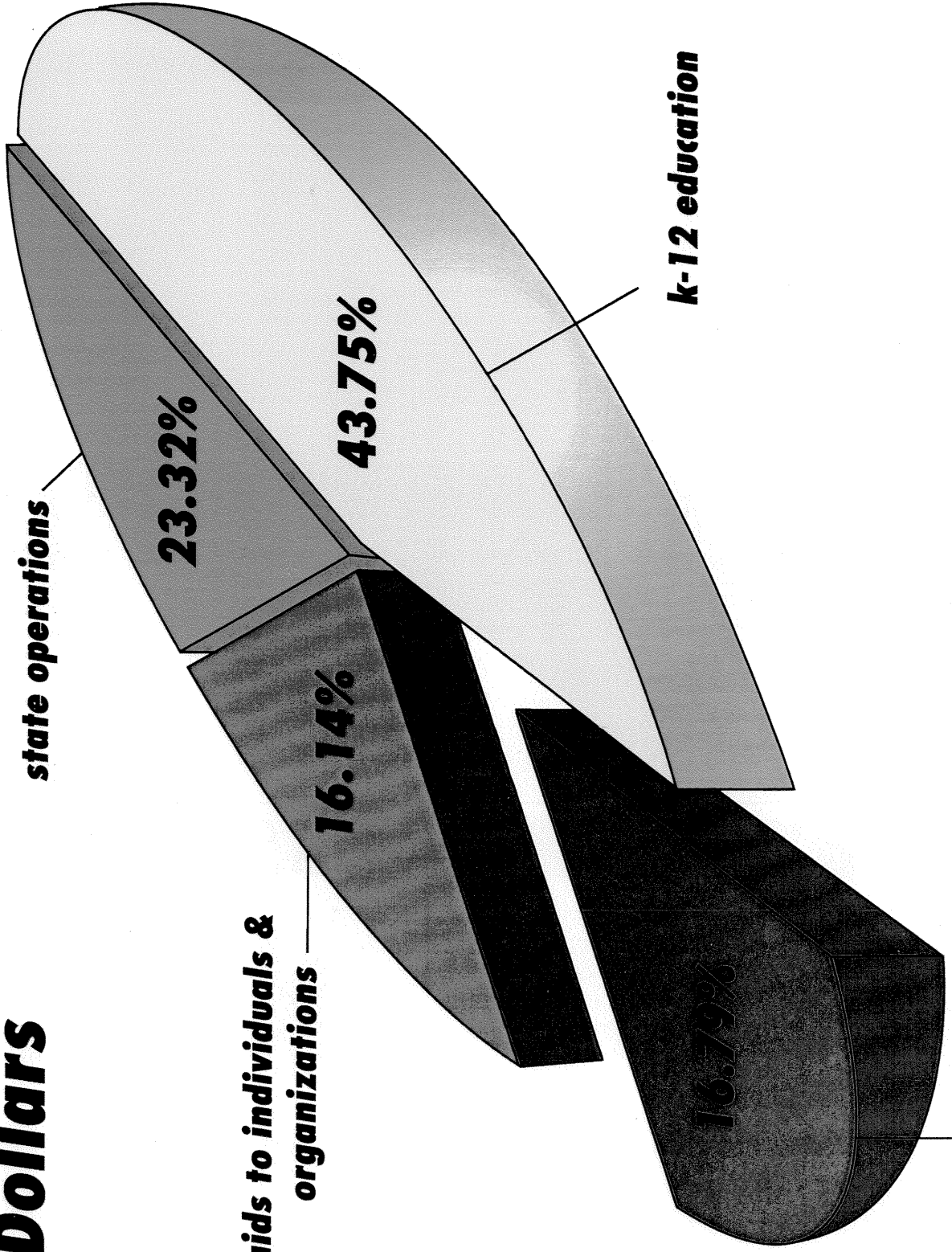
During the 1993-95 state biennial budget, the circuit court support grant program was created as the first step in the state assuming responsibility for financing the state court system. The state funded the program with a \$20 court filing fee. The state, once again, took additional responsibility for financing the court system by increasing the fee to \$40 (\$30 for small claims and \$100 for large claims) during the 1995-97 biennial budget deliberations and increasing the amount distributed to counties under the program to \$16,489,600. In the 1997-99 state biennial budget bill, the state failed to keep its commitment to incrementally pick up court costs by freezing the circuit court support grant appropriation.

During calendar year 1998, counties turned over to the state \$25,481,400 in court support services fees. However, only \$16,489,600 was distributed to counties to offset county costs associated with the operation of the state court system under the circuit court support grant program and \$4,738,500 was distributed to counties to offset costs associated with guardians ad litem. The remaining \$4,253,300 lapsed to the general fund.

Governor's Budget Proposal:

The governor's budget freezes the amount distributed to counties under the circuit court support grant program at \$16,489,600 and \$4,738,500 for guardian ad litem reimbursements. ■

Actual Distribution of State Dollars



city/village/town/county

LANDSCAPE ARCHITECTS
URBAN DESIGNERS/LAND PLANNERS
CIVIL ENGINEERS

April 14, 1999

To: Public Hearing
Wisconsin Legislature Joint Finance Committee
Wisconsin Heritage Trust Program
April 15, 1999

Re: Wisconsin Heritage Trust Program

To Whom It May Concern:

I am a principal with Schreiber/Anderson Associates, a landscape architecture and urban design firm located near downtown Madison at 1435 East Main Street. My firm's work and my professional career have been dedicated to the revitalization of Wisconsin downtowns. For the past eight years, I have also worked on the Board of Directors for Wisconsin Downtown Action Council. That organization, which has worked in close partnership with the Wisconsin Main Street Program, supports downtown revitalization efforts for all Wisconsin communities.

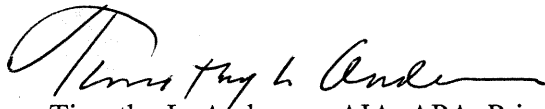
In both my professional and volunteer pursuits, I have come to understand how historic preservation is directly linked to achieving our physical and economic revitalization goals for our downtowns. Wisconsin downtowns are unique because of their cultural heritage and historic identity and downtown economic viability is directly related to retail and tourism activities that capitalize on these historic resources. New economic opportunities also derive from the preservation of historic buildings and places which have attracted new residents and businesses back to the downtowns.

We are fortunate to have a strong commitment to historic preservation from both the public and private sector. However, there are limited funding sources available to acquire and rehabilitate historic properties and ensure that our historic resources are adequately protected and preserved. The Wisconsin Heritage Trust Program will be a huge asset that will supplement available funding sources to achieve our historic preservation goals.

I believe that the Wisconsin Heritage Trust Program can have a major impact for the State of Wisconsin as a "stewardship" program much like the Wisconsin Department of Natural Resources Stewardship Program. Protection, preservation and enhancement of our historic resources is equally important to the commitment we have made to our natural resources.

I urge you to support the legislation enacting the Wisconsin Heritage Trust Program. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Timothy L. Anderson".

Timothy L. Anderson, AIA, APA, Principal
Schreiber/Anderson Associates, Inc.

EII/ssa/worddocs/wlhertrust

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Date: April 13, 1999

To: Members of the Joint Finance Committee

From: Wisconsin Innkeepers Association

Re: 1999-2001 Biennial Budget Bill; tourism provisions

The Wisconsin Innkeepers Association is asking your support on three key issues in the Biennial Budget Bill.

1. We ask that you consider supporting the School Calendar initiative (Bill Sections 2066 and 2108). We estimate the sales tax revenue from hotels alone from August 15th to August 25th with enactment would increase by \$1,000,000.00. Hotels make up less than 30% of the average tourist's daily expenditures. The Joint Finance Committee can send a statement to the rest of the Legislature by supporting this critical issue in the budget.
2. We also ask your support for the increase of \$8 Million over the biennium funded by tribal gaming revenues (Bill Sections 343 and 554) for tourism marketing and assisting local events with JEM grants. This is an investment in our state's fastest growing revenue generator.
3. Finally, we ask you to support those communities negatively impacted by tribal gaming by assisting in the creation of the Gaming Economic Development and Diversification Grant and Loan Programs (Bill Sections 203, 205, 207 through 209 and others).



CAROL WEIDEL, President

AFT/AFL-CIO

1334 APPLGATE RD. • MADISON, WI 53713-3184 • (608) 277-7700 • (800) 362-7390 • FAX (608) 277-7708

<http://www.wft.org>

- WFT COUNCILS:
- Graduate Assistants
 - Higher Ed
 - K-12
 - PSRP
 - State Employees
 - WTCS

Legislative Testimony

Date: April 15, 1999

To: Joint Committee on Finance

From: Ken Opin, WFT Lobbyist

RE: Budget bill – state employee issues

The Wisconsin Federation of Teachers shares the same position on elementary and secondary education and on Wisconsin Technical College System issues as WEAC and therefore I will not repeat what you have already heard.

WFT represents 5 state employee bargaining units, two bargaining units of UW graduate assistants, and two unions of UW faculty and academic staff.

There are two items relating only to state employees, which we wish to bring to your attention:

1. **A new prohibited subject of bargaining applicable to the state as employer.** In the Wisconsin Employment Relations Commission section of the budget, two new prohibited subjects of bargaining were inserted. You have removed one, regarding Choice and Charter Schools, to be introduced as separate legislation. WFT would urge you to also remove the other item from the budget and have it introduced separately.

It would prohibit collective bargaining over any requirements related to a new point-of-service coverage option” applicable to state employee group health insurance coverage and managed care plans. This is clearly a policy issue. It has not been discussed with any of our local unions and should have the full scrutiny of separate legislation.

2. **Public Defender: deletion of 12 paralegal positions.** The governor’s budget proposes to delete 12 paralegal positions, which WFT would urge you to retain. The use of paralegals saves the state money by doing work that would otherwise need to be done by a Public Defender (also represented by WFT) or outside counsel.



WISCONSIN ALLIANCE OF CITIES

14 W. MIFFLIN • P.O. BOX 336 • MADISON, WI 53701-0336
(608) 257-5881 FAX 257-5882 • EMAIL: wiscall@inxpress.net

- Appleton
- Ashland
- Baraboo
- Beaver Dam
- Beloit
- De Pere
- Eau Claire
- Fond du Lac
- Green Bay
- Greenfield
- Janesville
- Kaukauna
- Kenosha
- La Crosse
- Madison
- Manitowoc
- Marinette
- Marshfield
- Menasha
- Merrill
- Milwaukee
- Monroe
- Neenah
- Oshkosh
- Platteville
- Racine
- Sheboygan
- Stevens Point
- Superior
- Two Rivers
- Watertown
- Waukesha
- Wausau
- Wauwatosa
- West Allis
- West Bend
- Whitewater
- Wisconsin Rapids

April 15, 1999

TO: Honorable members of the Joint Committee on Finance

FROM: Edward Huck, Executive Director

RE: SB 45/AB 133, Wisconsin State Budget

As you took the budget on the road around the state you heard testimony from many Wisconsin Alliance of Cities members. On behalf of the entire membership, the Wisconsin Alliance of Cities is submitting the following comments and attachments relating to the state budget. The attachments consist of resolutions passed by the organization as they relate to:

- State Shared Revenues funding and formula changes
- Expenditure Restraint funding and formula changes
- Payment for Municipal Services funding
- Local Option Taxes
- Recycling mandate
- Transportation aid equity
- Gas Tax exemption
- Mass Transit Funding
- The proactive Alliance agenda

Alternatives to the property tax and reduction of city levies are two important goals of the Alliance for this legislative session. We appreciate your review of our positions and look forward to working with you in order to accomplish our mutual goals.

BUDGET ITEMS SUPPORTED BY THE WISCONSIN ALLIANCE OF CITIES -
suggestions for modifications to certain items follow in bold.

- ▣ Pesticide Database Study (Page 97, Item 9)
- ▣ Grants for Jobs for Low-income Individuals (Page 129, Item 2)
- ▣ Open Records (Page 513, Item 7)
- ▣ Land Recycling Program (Page 219, Item 5) **Brownfield site assessment grants should not have to be paid back if a Land Recycling Loan is approved.**
- ▣ Development and Enterprise Development Zone Program and Tax Credit Modifications (Page 139, Item 13)
- ▣ Small Sewage system Inspection Frequency (Page 157, Item 22)
- ▣ Comprehensive Planning (Page 241, Item 4)
- ▣ Repeal volume-based fee (Page 457, Item 8)
- ▣ Brownfields, Local Government Liability Exemption (Page 460, Item 14) **Section 292.24 (2), Wis. Stats.: the phrase "certificate of completion" should be replaced with the word "approval."**
- ▣ Brownfields, Local Government Cost Recovery (Page 461, Item 15)
- ▣ Brownfields, Environmental TIF
- ▣ Include Environmental Pollution in the Definition of Blighted Areas. **This should be expanded to allow for environmental investigations as provided for in AB 183. The bill had a public hearing in the Assembly Environment Committee on March 30.**
- ▣ Brownfields, Voluntary Party Liability Exemption (Page 462, Item 16)
- ▣ Brownfields, Off-site Discharges (Page 464, Item 17)
- ▣ Brownfields, Lender Liability Exemption (Page 465, Item 19)
- ▣ Brownfields, Natural Attenuation At voluntary Party Sites (Page 464, Item 18)
- ▣ Transportation Aid---Municipal Minimum Guarantee, Raises minimum from 95% to 98%.

Please Note: The Brownfields Advisory Group will make recommendations for technical changes to the Joint Committee on Finance. If adopted we believe the Brownfields program would be improved. However, our support for the current provisions is not conditional on their adoption.

BUDGET ITEMS OPPOSED BY THE WISCONSIN ALLIANCE OF CITIES –
suggestions for modification to certain items follow in bold.

- ☐ No increase in Shared Revenue Funding.
- ☐ No increase in Expenditure Restraint Funding.
- ☐ No increase in Payment for Municipal Services Funding.
- ☐ Bonding level for Safe Drinking Water. **EPA's 1995 needs survey showed, Wisconsin drinking water systems will have to spend more than \$800 million to meet the 1995 Safe Drinking Water Act regulations mandated by the federal government. We ask for \$100 million for reduced interest-rate-loans.**
- ☐ Gaming Economic Development and Diversification Grant and Loan Programs (Page 130, Item3)
- ☐ Law Enforcement Training Fund and Penalty Assessment Revenues (Page 381, Item 5)
- ☐ Nonpoint Program Bonding Authority (Page 449, Item 12) **The proposal is significantly below statewide needs.**
- ☐ Recycling Grants and formula changes. **The Governor's budget is a Band-Aid approach to a major problem for Wisconsin municipalities. We support Senator Burke's proposal.**
- ☐ Registration of Cemetery Authorities. **The Advisory Committee to the Department of Regulation and Licensing will be recommending significant changes that are more comprehensive and will provide greater protection to Wisconsin residents. (Page 526, Item 12)**
- ☐ Property tax exemptions for more computerized equipment. **To reduce local government revenues at a time when we are facing fiscal crisis is just wrong. (Page 550, Item 1)**
- ☐ County Sales Tax Administration. **Counties need the revenues more than the Administration. (Page 555, Item 1)**
- ☐ Charge back all or a portion of the unpaid taxes. **The 1997-99 budget included a provision that allows counties and the city of Milwaukee to cancel all or a portion of the delinquent property taxes on a contaminated property (s. 75.105, stats.). The Governor's budget proposal includes a provision to amend this statute (page 965, Sec.1805) to allow counties to "charge back" all or a portion of the unpaid taxes to the municipality where the property is located.**
- ☐ Transportation aids including mass transit. **The Alliance joins the other members of the Fair Share Coalition in support of Senator Burke's proposal for local transportation aid increases of 6% and 6%. We further request that mass transit funding be returned to a percent of costs at 47% state share, thereby treating all systems equally.**

NON-FISCAL POLICY REMOVED FROM THE BUDGET

We support removing the following items from the state budget and are interested in any changes that would occur if they were returned to the budget before final executive action is taken.

- ▣ Modifications to DOA review of annexations in populous counties (page 75, Item 4)
- ▣ Private sewage system administration by local governments (page 155, Item 20)
- ▣ Regulation of small sewage systems (Page 156, Item 21)
- ▣ Plumbing: violations reporting requirement (Page 158, Item 25)
- ▣ Drafting instructions re: legislation for compliance with restrictions on minors access to tobacco products (Page 240, Item 2)
- ▣ Incorporations under a cooperatives plan for boundary changes(Page 246, Item 6)
- ▣ Limits on governmental liability for Y2K computer problems(Page 247, Item 10)
- ▣ Minimum area required for certain incorporations(Page 246 Item 7)
- ▣ Registration of cemetery authorities and salespersons (Page 526, Item 12)
- ▣ Direct Aid Payments: penalty for failing to report exempt computer value (Page 542, Item 16)



Resolution

On Property Tax Alternatives

Whereas, 13 of the 32 member cities of the Wisconsin Alliance of Cities are projected to receive a decrease in shared revenue in 1999, and 20 are projected to receive a reduction in the Expenditure Restraint Program ; and

Whereas, those cuts come on the heels of shared revenue reductions in 1998 for 14 Alliance of Cities members, and expenditure restraint program payment cuts for 17; and

Whereas, state's appropriations for shared revenue increased at an average rate of 2% between 1987 and 1997, and have not increased at all since 1995; and

Whereas, this pattern of funding has resulted in overall shared revenue increases far smaller than the rate of inflation;

Now Therefore Be It Resolved, that the Wisconsin Alliance of Cities calls on the governor and Legislature to increase shared revenue by 3% each year for the next three years. Every community's shared revenue payment would be increased 3% the first year. The following year, that increase would be built into the community's base — divided equally among per-capita payments, aidable revenues and utility payments — the formula would run and the resulting payments would increase another 3%; and

Be It Further Resolved, that the Wisconsin Alliance of Cities urges the governor and Legislature to also approve full funding of payments for municipal services and a 3% increase in the Expenditure Restraint Program, along with a floor of 2.5% for allowable budget increases under ERP as a short-term solution to the problems outlined above; and

Be It Further Resolved, that the state study ways of better measuring tax capacity and need as ingredients of a long-term solution to the problems outlined above; and

Be It Further Resolved, the Wisconsin Alliance of Cities urges the governor and Legislature to pass legislation necessary to provide cities the option of enacting local sales, payroll and other types of taxes; and

Be it further resolved, that copies of this resolution be sent to Governor Tommy G. Thompson, members of the 1999 Legislature and the Wisconsin State Legislature, candidates in the November 3 election, and Wisconsin's other local government associations.

Mayor Paul F. Jadin, Green Bay
President, Wisconsin Alliance of Cities
Adopted September 11, 1998
in Eau Claire, Wisconsin

LOCAL AID FUNDING

(Amounts In Millions)

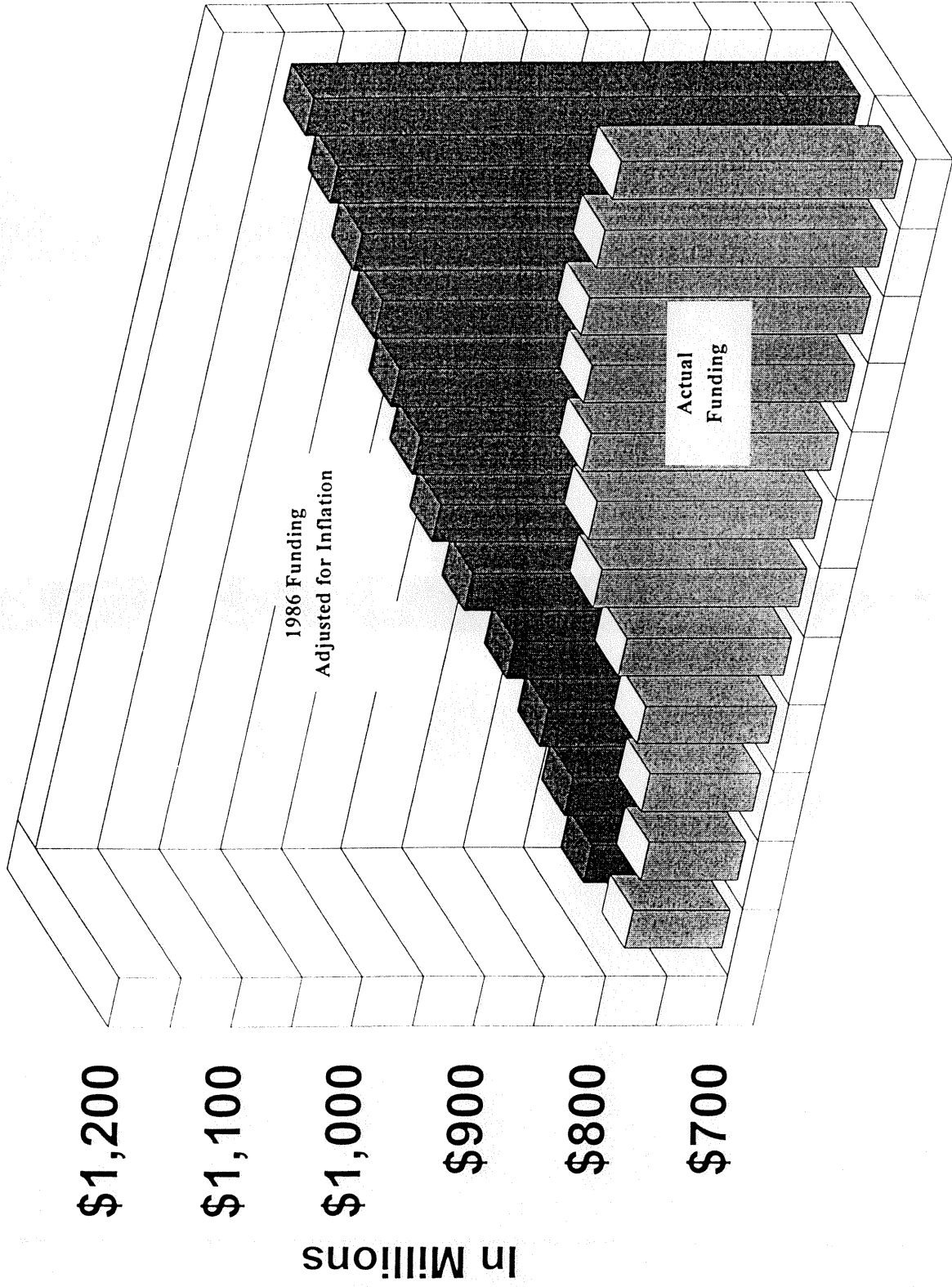
| <u>Local Aid Programs</u> | <u>Actual Funding Levels</u> | | | | | |
|------------------------------------|------------------------------|----------------|----------------|----------------|----------------|----------------|
| | <u>FY94</u> | <u>FY95</u> | <u>FY96</u> | <u>FY97</u> | <u>FY98</u> | <u>FY99</u> |
| Municipal Shared Revenue: | \$746.55 | \$761.48 | \$761.48 | \$761.48 | \$761.48 | \$761.48 |
| Aidable Revenue | \$593.24 | \$607.17 | \$607.63 | \$606.94 | \$606.86 | \$606.86 |
| Per Capita | \$142.71 | \$142.71 | \$142.71 | \$142.71 | \$142.71 | \$142.71 |
| Utility | \$10.60 | \$11.60 | \$11.14 | \$11.83 | \$11.91 | \$11.91 |
| County Shared Revenue: | \$173.71 | \$189.14 | \$189.14 | \$189.14 | \$189.14 | \$189.14 |
| Aidable Revenue | \$158.31 | \$157.58 | \$157.95 | \$157.40 | \$157.29 | \$157.29 |
| County Mandate Relief | \$4.73 | \$20.16 | \$20.16 | \$20.16 | \$20.16 | \$20.16 |
| Utility | \$10.67 | \$11.40 | \$11.03 | \$11.58 | \$11.69 | \$11.69 |
| Expenditure Restraint Program | \$42.00 | \$48.00 | \$48.00 | \$48.00 | \$48.00 | \$48.00 |
| Small Community Improvement Prog. | \$10.00 | \$14.00 | \$10.00 | \$10.00 | \$10.00 | \$10.00 |
| Payment for Municipal Services | <u>\$16.83</u> | <u>\$16.83</u> | <u>\$16.83</u> | <u>\$16.83</u> | <u>\$16.83</u> | <u>\$18.10</u> |
| Total Local Aid | \$989.09 | \$1,029.45 | \$1,025.45 | \$1,025.45 | \$1,025.45 | \$1,026.72 |
| Total General Fund Tax Revenue* | \$7,287.60 | \$7,806.87 | \$8,235.64 | \$8,817.54 | \$9,528.30 | \$9,882.30 |
| Rate of Growth | - | 7.1% | 5.5% | 7.1% | 8.1% | 3.7% |
| Annual Rate of Inflation (CPI-U)** | - | 2.8% | 3.0% | 2.3% | 2.5% | 2.5% |
| Local Aid as a % of GF Revenue | 13.57% | 13.19% | 12.45% | 11.63% | 10.76% | 10.39% |

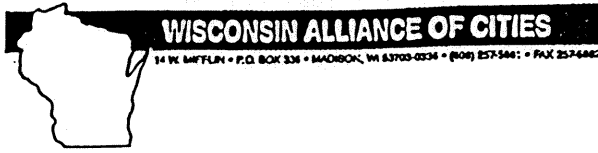
*Revenue amounts for FY94-FY97 are final; Amounts for FY98 & FY99 include surplus.

**FY98 & FY99 inflation rates are projected by Blue Chip Economic Indicators.

Data Sources: LFB Information Paper #1 (General Fund Tax Collections); DOR Local Aid Distribution Printouts.

SHARED REVENUE APPROPRIATIONS ACTUAL COMPARED TO INFLATION-ADJUSTED





Resolution

On the Recycling Mandate

Whereas, the state recycling program is the largest mandate ever imposed on Wisconsin cities; and

Whereas, that mandate is largely unfunded, as the temporary recycling surcharge last year paid less than 40% of the eligible costs of curbside pickup and other expensive local programs; and

Whereas, the state's recycling program pays 100% of its \$4.5 million bureaucracy but prorates grants to local governments; and

Whereas, the recycling program has failed miserably at meeting its goal of becoming financially self-sufficient by 1999; and

Whereas, under current law, state revenues are unlikely to be sufficient to fund all current recycling programs through the 1999-2001 biennium even at meager 1997 levels; and

Whereas, full funding of recycling — or, in the alternative, elimination of the state recycling mandate — is among the top proactive legislative priorities of the Wisconsin Alliance of Cities for 1999-2000;

Now therefore be it resolved, that the Wisconsin Alliance of Cities supports no less than full funding of the recycling mandate, financed by tipping fees on all solid waste disposed of in Wisconsin landfills; and

Be it further resolved, that if the Legislature is unwilling to provide full funding for the recycling mandate, then the Wisconsin Alliance of Cities urges it to repeal the recycling mandate to allow communities across the state to provide the level of recycling that their citizens desire; and

Be it further resolved, that the Wisconsin Alliance of Cities urges members of the Legislature and candidates for the Legislature to publicly endorse the options enumerated above; and

Be it further resolved, that copies of this resolution be sent to Governor Tommy G. Thompson, the Wisconsin State Legislature, candidates in the November 3 election and Wisconsin's other local government associations.

Mayor Paul F. Jadin, Green Bay
President, Wisconsin Alliance of Cities
Adopted September 11, 1998
in Eau Claire, Wisconsin

Net Property Tax Effect of Recycling Mandate, 1998

| city | 1997/98 tax levy | 1998 elig. costs | avoided costs | tot award | net levy effect of mandate*** |
|----------------|-----------------------|----------------------|---------------------|---------------------|----------------------------------|
| Appleton* | \$ 24,987,145 | 626,374 | \$ - | \$ 237,855 | 1.55% |
| Ashland | 1,900,442 | 147,000 | 25,806 | 30,386 | 4.78% |
| Baraboo | 3,588,510 | 152,690 | 40,000 | 42,792 | 1.95% |
| Beaver Dam | 4,390,019 | 290,847 | 47,957 | 68,508 | 3.97% |
| Beloit | 8,568,850 | 566,912 | 77,185 | 166,599 | 3.77% |
| Cudahy | 5,332,737 | 339,435 | 37,258 | 86,828 | 4.04% |
| De Pere | 4,691,849 | 541,798 | 46,200 | 102,869 | 8.37% |
| Eau Claire* | 14,567,427 | 562,776 | 3,789 | 371,522 | 1.29% |
| Fond du Lac | 12,503,763 | 668,800 | 114,538 | 187,814 | 2.93% |
| Green Bay | 34,713,177 | 2,576,875 | 210,315 | 496,846 | 5.39% |
| Greenfield | 16,095,702 | 442,975 | 85,637 | 141,561 | 1.34% |
| Janesville | 15,256,172 | 758,611 | 73,100 | 260,311 | 2.79% |
| Kaukauna* | 3,701,717 | 121,805 | - | 46,253 | 2.04% |
| Kenosha | 31,002,436 | 1,201,461 | 149,340 | 500,114 | 1.78% |
| La Crosse | 17,691,447 | 670,233 | 12,969 | 46,453 | 3.45% |
| Madison | 94,323,022 | 4,381,864 | 445,440 | 954,980 | 3.16% |
| Manitowoc | 7,326,018 | 439,943 | 94,650 | 254,477 | 1.24% |
| Marinette | 4,161,771 | 355,455 | 30,650 | 67,489 | 6.18% |
| Marshfield | 6,827,602 | 264,212 | 61,856 | 76,841 | 1.84% |
| Menasha | 6,454,210 | 448,050 | 25,641 | 85,070 | 5.23% |
| Merrill | 2,518,323 | 139,718 | 44,935 | 35,992 | 2.33% |
| Milwaukee | 140,033,694 | 9,070,160 | 917,280 | 2,822,280 | 3.81% |
| Monroe** | 4,019,045 | 205,712 | 33,858 | 89,548 | 2.05% |
| Neenah | 10,453,570 | 1,085,970 | 38,850 | 206,189 | 8.04% |
| Oshkosh | 15,232,875 | 1,099,454 | 75,869 | 284,565 | 4.85% |
| Platteville | 2,037,761 | 207,506 | 15,648 | 46,171 | 7.15% |
| Racine | 33,858,929 | 1,789,411 | 128,414 | 393,721 | 3.74% |
| Sheboygan | 15,243,351 | 1,247,143 | 105,983 | 236,791 | 5.93% |
| Stevens Point* | 8,506,597 | 509,497 | 39,516 | 112,084 | 4.21% |
| Superior | 8,114,347 | 356,725 | 69,030 | 109,247 | 2.20% |
| Two Rivers | 2,975,159 | 281,649 | 34,403 | 104,988 | 4.78% |
| Waukesha* | 27,130,562 | 860,140 | 103,578 | 277,822 | 1.76% |
| Wausau | 12,753,292 | 372,192 | 62,670 | 117,536 | 1.51% |
| Wauwatosa | 25,430,469 | 1,038,427 | 85,463 | 242,797 | 2.79% |
| West Allis | 25,096,007 | 1,313,963 | 181,513 | 308,701 | 3.28% |
| West Bend | 10,452,298 | 498,986 | 71,901 | 129,289 | 2.85% |
| Whitewater | 1,609,063 | 125,052 | 13,266 | 42,449 | 4.31% |
| Wisc. Rapids | 6,522,212 | 335,281 | 31,875 | 87,668 | 3.31% |
| TOTALS | \$ 670,071,570 | \$ 36,095,102 | \$ 3,636,383 | \$ 9,873,405 | 3.4% |

* prorated share of county programs

** received \$40,864 volume-based award

***assumes unreimbursed costs go on levy



Resolution

On Transportation Equity

Whereas, the Transportation Equity Act for the 21st Century (TEA 21) promises Wisconsin an increase averaging \$169.3 million annually in highway money and \$15.5 million annually in mass transit money over a six-year period; and

Whereas, the current Wisconsin Department of Transportation budget, augmented by new federal money, would devote 70% of all federal money to state highway programs and 30% to local programs; and

Whereas, local aid as a percentage of the state Transportation Fund has declined from 41.2% in 1997 to 40.8% next year under 1997 Wisconsin Act 27; and

Whereas, property taxpayers will not willingly finance the tremendous backlog of needed local transportation projects, and local officials cannot be expected to ask them to do so; and

Whereas, a fairer distribution of state user fee revenues — phased in until approximately two-thirds of state user fees are devoted to local needs just as approximately two-thirds of federal user fees returned to the state are devoted to state needs — would hold down property taxes, better address transportation needs, and benefit all Wisconsin citizens; and

Whereas, a fairer distribution of transportation revenue also would reduce negative effects of transportation decisions on land use and the environment; and

Whereas, members of the Wisconsin Alliance of Cities have voted to make transportation funding equity one of their top proactive legislative priorities for 1999-2000;

Now therefore be it resolved, that the Wisconsin Alliance of Cities supports the increase over time in the local share of state transportation user fees until the local share reaches two-thirds of the total; and

Be it further resolved, that the Wisconsin Alliance of Cities urges members of the Legislature and candidates for office to endorse this goal and work to devote obtain more state transportation money to local property tax relief, local road improvements, and other local transportation needs; and

Be it further resolved, that copies of this resolution be sent to Governor Tommy G. Thompson, the Wisconsin Legislature, candidates in the November 3 election and Wisconsin's local government associations.

Mayor Paul F. Jadin, Green Bay
President, Wisconsin Alliance of Cities
Adopted September 11, 1998
in Eau Claire, Wisconsin

FAIR SHARE COALITION

C/O POST OFFICE BOX 336, MADISON, WIS. 53701

Groups that Participate in the Coalition

League of Wisconsin Municipalities

Wisconsin Towns Association

Wisconsin Alliance of Cities

Coalition of Wisconsin Aging Groups

Wisconsin Urban Transit Association

Local 998, Amalgamated Transit Union

American Federation of State, County and Municipal
Employees

American Association of Retired Persons

Dane County

Kenosha County

Waukesha County

New Transportation Alliance

Bicycle Federation of Wisconsin

Access for Independence

Citizens for a Better Environment

1000 Friends of Wisconsin

John Muir Chapter, The Sierra Club

Wisconsin's Environmental Decade

Fair Share Coalition

The Legislature should provide property tax relief to communities for transportation-related infrastructure improvements by increasing funding for transportation aids and assistance to local governments to 50% of total DOT expenditures over the next 10 years.

Background. In FY99, the state will spend \$1.95 billion (all sources) for local roads, state highways, bridges, mass transit, harbors, etc. General transportation aids in FY99 were \$326.5 million, or 17% of total DOT expenditures. Funding for mass transit operating assistance was \$84.3 million, or 4% of DOT expenditures

TEA 21 provided nearly \$200 million in additional federal transportation dollars in the current biennium. Local communities received only 30% of this additional funding while nearly 70% was spent on state highways.

Problem. In 1993, 90% of all available route miles were the responsibility of local units of government. Travel on local roads currently accounts for nearly half of all vehicle miles traveled. At present local jurisdictions receive only 29% of segregated transportation fund revenues for general transportation aid and 7.5% for mass transit operating assistance.

As reported by the Legislative Audit Bureau, state aid payments as a percent of local transportation costs have fallen gradually since 1989 as local costs outpace both aid appropriations and inflation. Auditors found that in recent years Wisconsin ranked sixth among seven Midwestern states in aid per capita and in the share of transportation funding transferred to local governments.

Mass transit federal shares have been cut significantly. Despite the dramatic growth in the size of urban service areas, mass transit has not received the funding it needs to increase levels of service. This has made it difficult for workers without cars to reach jobs. The need for improved transit has grown under Governor Thompson's W-2 welfare-to-work program.

Solutions. Increase state funding (all sources) for local government transportation aid and assistance programs* to 50% of total DOT expenditures over the next ten years. This percentage is equal to the portion of automobile trips in Wisconsin which take place on local roads. Distribute the additional funding to local programs in the same proportion as the current state budget.

Exempt all local jurisdictions from the state tax on motor vehicle fuel.

Eliminate the Governor's budget provision which would charge local governments a processing fee for each court ordered drivers license suspension for failure to pay a forfeiture that was imposed for violating an ordinance unrelated to the operation of a motor vehicle.

*Note - Local transportation aids & assistance programs include: 1) Local Aids (municipal & county transportation aids that are related to motor vehicle transportation & mass transit); 2) Local Capital Assistance (bridge replacement, rehabilitation of local roads & streets, local road improvement program); 3) Multimodal Grants (CMAQ, Transportation Economic Assistance, Transportation Enhancement, Surface Transportation Grants).

**PROPOSAL TO INCREASE FUNDING (ALL SOURCES)
FOR LOCAL GOVERNMENT TRANSPORTATION AIDS & ASSISTANCE TO 50% OF WISDOT BUDGET
(In Millions)**

| FISCAL YEAR | WISDOT BUDGET (All Sources)* | | SEGREGATED TRANSPORTATION FUND* | | | LOCAL GOVT. AIDS & ASSISTANCE (1) (All Sources)** | | | |
|-------------|---------------------------------|-------------|------------------------------------|-------------|---|--|-------------|-----------|---|
| | AMOUNT | % CHG | AMOUNT | % CHG | % OF WISDOT BUDGET (All Sources) | TOTAL FUNDING (All Sources) | % CHG | \$ CHG | % OF WISDOT BUDGET (All Sources) |
| 1989 | \$1,056.4 | - | \$729.4 | - | 69.0% | \$341.0 | - | 341.0 | 32.3% |
| 1990 | 1,126.6 | 6.6% | 752.1 | 3.1% | 66.8% | 356.3 | 4.5% | 15.3 | 31.6% |
| 1991 | 1,166.2 | 3.5% | 760.0 | 1.1% | 65.2% | 373.1 | 4.7% | 16.8 | 32.0% |
| 1992 | 1,312.9 | 12.6% | 834.9 | 9.9% | 63.6% | 413.0 | 10.7% | 39.9 | 31.5% |
| 1993 | 1,351.5 | 2.9% | 859.0 | 2.9% | 63.6% | 432.7 | 4.8% | 19.7 | 32.0% |
| 1994 | 1,579.9 | 16.9% | 916.4 | 6.7% | 58.0% | 514.4 | 18.9% | 81.7 | 32.6% |
| 1995 | 1,572.1 | -0.5% | 942.3 | 2.8% | 59.9% | 523.2 | 1.7% | 8.8 | 33.3% |
| 1996 | 1,611.3 | 2.5% | 981.2 | 4.1% | 60.9% | 539.5 | 3.1% | 16.3 | 33.5% |
| 1997 | 1,633.5 | 1.4% | 978.9 | -0.2% | 59.9% | 543.1 | 0.7% | 3.6 | 33.2% |
| 1998 | 1,835.8 | 12.4% | 1,071.4 | 9.4% | 58.4% | 632.9 | 16.5% | 89.8 | 34.5% |
| 1999 | 1,949.7 | <u>6.2%</u> | 1,125.8 | <u>5.1%</u> | <u>57.7%</u> | 659.2 | <u>4.2%</u> | 26.3 | <u>33.8%</u> |
| Average | | 6.5% | | 4.5% | 62.1% | | 7.0% | | 32.7% |
| 2000 | \$1,982.8 | 1.7% | \$1,156.5 | 2.7% | 58.3% | \$699.6 | 6.1% | \$40.4 | 35.3% |
| 2001 | 2,018.5 | 1.8% | 1,184.6 | 2.4% | 58.7% | 741.9 | 6.0% | 42.3 | 36.8% |
| 2002 | 2,079.1 | 3.0% | 1,220.1 | 3.0% | 58.7% | 794.8 | 7.1% | 52.9 | 38.2% |
| 2003 | 2,141.5 | 3.0% | 1,256.7 | 3.0% | 58.7% | 850.2 | 7.0% | 55.4 | 39.7% |
| 2004 | 2,205.7 | 3.0% | 1,294.4 | 3.0% | 58.7% | 908.2 | 6.8% | 58.0 | 41.2% |
| 2005 | 2,271.9 | 3.0% | 1,333.3 | 3.0% | 58.7% | 968.9 | 6.7% | 60.7 | 42.6% |
| 2006 | 2,340.0 | 3.0% | 1,373.3 | 3.0% | 58.7% | 1,032.4 | 6.6% | 63.5 | 44.1% |
| 2007 | 2,410.2 | 3.0% | 1,414.5 | 3.0% | 58.7% | 1,098.9 | 6.4% | 66.5 | 45.6% |
| 2008 | 2,482.5 | 3.0% | 1,456.9 | 3.0% | 58.7% | 1,168.4 | 6.3% | 69.5 | 47.1% |
| 2009 | 2,557.0 | 3.0% | 1,500.6 | 3.0% | 58.7% | 1,241.1 | 6.2% | 72.7 | 48.5% |
| 2010 | 2,633.7 | 3.0% | 1,545.6 | 3.0% | 58.7% | 1,317.1 | 6.1% | 76.0 | 50.0% |

*1989-99 amts are from DOT Transportation Budget Trends; FY98 & FY99 amounts include TEA 21 funding of \$57.3 million in FY98 and \$138.4 million in FY99; 2000-2010 amts are projected.

**1989-99 amts are from DOT Budget Trends; FY98 & FY99 amounts include TEA 21 funding of \$16.2 million in FY98 and \$40.6 million in FY99. 2000-2010 amts are local proposals.

(1) - Local government aids & assistance (All Sources) includes: 1) Local Aids (municipal & county transportation aids that are related to motor vehicle transportation & mass transit); 2) Local Capital Assistance (bridge replacement, rehabilitation of local roads & streets, local road improvement program; 3) Multimodal Grants (CMAQ, Trans. Economic Assistance, Trans. Enhancement, Surface Trans. Grants).

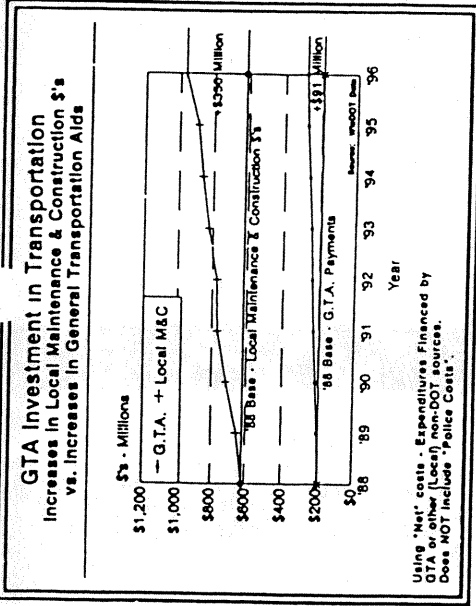
Date Sources: DOT Transportation Budget Trends; State Budgets; LFB Summaries.

What factors should be considered in determining the amount of funding for the GTA program?

- The amount of travel on local roads
- Age and condition of local roads and bridges
- Total miles of roadway under local jurisdiction
- Inflation (construction costs)
- Federal and state mandates related to local roads
- Changing expectations of the traveling public
- Growing needs of business and industry
- Safety

Have increases in GTA been met by local investment in the maintenance and construction of transportation infrastructure?

Yes. A way to illustrate this is to compare the growth in GTA with the growth of local expenditures on maintenance and construction of local transportation infrastructure.

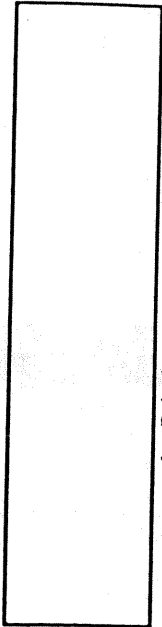


The chart depicts, that investments in General Transportation Aids have increased by \$91 million, while local maintenance and construction has increased by \$350 million - OR - for every \$1.00 increase in GTA, expenditures on local roads have increased three fold.

Are local governments held accountable?

All local governments, by statute, must submit financial reports on an annual basis which details all expenditures. All eligible expenditures are defined by state statutes and audited by the Department of Revenue and the Department of Transportation.

FOR ADDITIONAL INFORMATION PLEASE CONTACT:



WISCONSIN'S GENERAL TRANSPORTATION AIDS PROGRAM

AN INFORMATIONAL BROCHURE

PRESENTED BY

LOCAL ROADS & STREETS COUNCIL

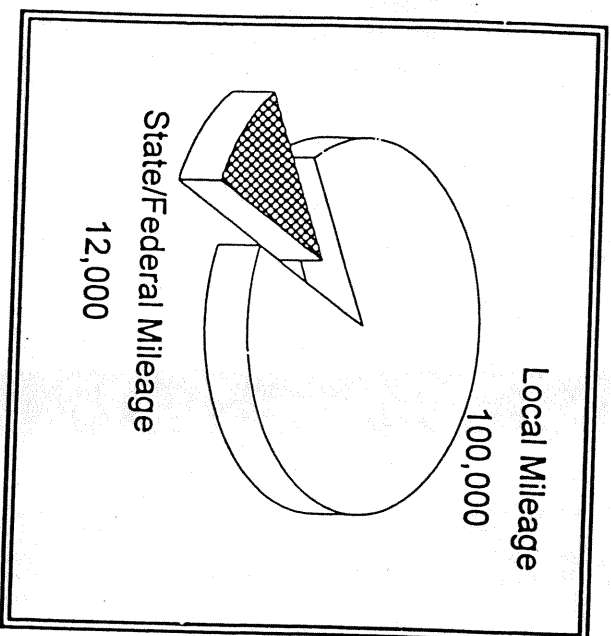
What is the purpose of the General Transportation Aids (GTA) program?

As authorized by the Wisconsin Statutes 86.30, General Transportation Aids (GTA) are provided to all Wisconsin counties, cities, villages and towns. It is a tool that allows the highway user to cover a portion of the costs incurred by local governments in constructing and maintaining roads needed by the traveling public.

Why is the GTA program important?

The GTA program is important because it recognizes the local road system as an integral component of the overall state transportation network. Each jurisdiction maintains a local road, street or highway system as part of a state highway transportation system. There are 112,000 miles of roads within the state of Wisconsin. Of the total, approximately 90% of these miles are under local jurisdiction.

Local units of government have limited ability to raise revenue necessary to fully support the construction, maintenance, and operational activities required to provide for the safe and efficient movement of people and goods. Since the highway user pays motor fuel taxes and vehicle registration fees into the state transportation fund, it is only reasonable that a portion of those monies be used to help cover the operational costs associated with roads under local jurisdiction.



Where do the GTA program funds come from?

GTA Program funds come from State Transportation Fund Revenues, which are primarily collected from state motor fuel taxes and vehicle registration fees.

The legislature establishes a total amount of funding for the GTA program.

How are GTA payments determined?

Local governments receive funding based either upon a share of eligible transportation related expenditures or on a per mile payment, whichever is greater.

⇒ *Share of Cost Payment*

The share of cost payment that a local unit of government receives is determined by the total amount of funding in the GTA program and the average cost of eligible activities reported by the unit of government for the previous six-year period.

⇒ *Rate per Mile Payment*

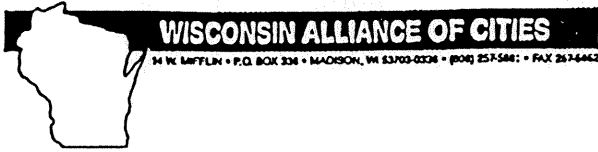
The rate per mile payment a local government receives is based upon its miles of roadway and the per mile rate established by the legislature.

How are the GTA funds invested?

Funds are spent by local governments on eligible transportation related projects and services such as:

- Roadway maintenance
- Roadway construction
- Snowplowing & ice control
- Bridge construction & maintenance
- Traffic signals, signing, & markings
- Safety improvements
- Street lighting
- Traffic assistance, enforcement, and control

All of these investments contribute to the safe and efficient movement of people and goods.



Resolution

On Local Government Gas Tax Exemption

Whereas, local governments in Wisconsin are exempt from paying the federal motor fuel tax, but with the exception of mass transit, are required to pay the state motor fuel tax; and

Whereas, property taxpayers are paying taxes to their local government so the local government can pay taxes to the state; and

Whereas, using 1995 gas consumption data, a survey of Wisconsin Alliance of Cities members showed that property taxpayers would save over \$2 million annually if those cities were exempt from paying the state motor fuel tax; and

Whereas, members of the Wisconsin Alliance of Cities voted to rank a local government state motor fuel tax exemption among the group's top proactive legislative priorities for 1999-2000;

Now therefore be it resolved, that the Wisconsin Alliance of Cities requests that the Legislature and Governor exempt local governments from paying the state gas tax; and

Be it further resolved, that copies of this resolution be sent to Governor Tommy G. Thompson, the Wisconsin Legislature, candidates in the November 3 election and Wisconsin's local government associations.

Mayor Paul F. Jadin, Green Bay
President, Wisconsin Alliance of Cities
Adopted September 11, 1998
in Eau Claire, Wisconsin

Property Tax Alternatives

- Increase shared revenue by 3% each year for the next three years as an interim move toward restoring equity to the formula. The formula would run without any new money, and every community's payment would be increased 3% the first year. The following year, that increase would be built into the community's base — divided equally among per-capita payments, aidable revenues and utility payments — the formula would run again without additional new money, then the resulting payments would increase another 3%;
- Also approve full funding of payments for municipal services and add 3% to the Expenditure Restraint Program, along with a floor of 2.5% for allowable budget increases under ERP;
- In addition, pass legislation necessary to provide cities the option of enacting local sales, payroll and other types of taxes.
- Further, create a Commission for Urban Policy Studies that would, among other responsibilities, devise ways of better measuring tax capacity and need as ingredients of a long-term solution to the problem of shrinking state aid and increasing demand for services. *(pages 2-4)*

Unfunded Mandates

Enact a "Wisconsin Unfunded Mandate Relief Act" to promote informed and deliberate decision-making by the Legislature on state mandates. Establish an extraordinary approval process activated when a proposed mandate exceeds a certain cost to local taxpayers. *(pages 5-7)*

Recycling Mandate

Either establish full funding for local recycling programs, financed by tipping fees on all solid waste disposed of in Wisconsin landfills, or repeal the recycling mandate to allow communities across the state to provide the level of recycling their citizens desire. *(pages 8-9)*

Double Taxation

Allow cities, villages and towns to avoid "double whammy" taxation of their citizens by opting out of paying for a variety of county services, if they provide the same services themselves. *(page 10)*

Transportation Equity

Phase in a fairer distribution of state user fee revenues until approximately two-thirds of state user fees (up from 40.8% today) are devoted to local road improvements, local transportation needs and property tax relief for city, village, town and county residents. *(page 11)*

Conserving Property Tax Base

Combat the shrinking tax base that communities across the state have experienced by enacting a municipal service fee for certain tax-exempt properties based on the provisions of 1997-98 Senate Bill 12. *(pages 12-16)*

Local Govt. Gas Tax Exemption

End the taxation of one level of government by another and institute an exemption from the state gasoline tax for all local governments, similar to the federal gas tax exemption that local governments already enjoy. *(page 17)*



DANE COUNTY

Kathleen M. Falk
County Executive

DATE: April 15, 1999

TO: Members of the Joint Committee on Finance

FROM: Kathleen M. Falk *KMF*
Dane County Executive

RE: TESTIMONY ON THE 1999-2001 BIENNIAL BUDGET

Since you have heard from many of my colleagues in county government at your hearings around the state, I join their pleas too and will not take time today to repeat them. My urgent and sincere request is that you please support modest increases funding for the services we provide at the state's direction and on the state's behalf.

Holding down property taxes is important to all of us. Counties have heard over the past several months that we must hold down our spending in order to minimize property tax increases. We've done that in Dane County. In our 1999 budget, the county board and I held the levy increase to 2.9%, the second lowest increase in 20 years. We set the target by combining the rate of inflation and population growth in our county.

However, the proposed state budget will force us to either raise property taxes or cut services. For example, Dane County will lose \$1.1 million in major human services revenues alone in just 2000 alone under the proposed budget bill. With the addition of other freezes in aid, we face cuts of \$2.6 million in human services in 2000 alone. You'll have heard and will hear from consumers and family members in our community who would be affected by those cuts and they can tell their own stories better than I. This budget, unless improved, will hurt their lives.

We do not want to pass on to property taxpayers these expenses for services the state requires us to provide. Consequently, the other choice this budget would force us to make is to reduce services.

With the leadership of this committee, we could instead be facing the next budget biennium with a third and better choice. That is to continue to provide our current level of services. I am not asking you to do more than I have done at our county level. Please provide increases in revenues to local governments which account for inflation and population growth.



With some major new revenues in play in this budget, including surplus TANF, tobacco suit settlement and transportation revenues, you have an opportunity to do that.

I surely know that this committee wants a great budget for the people of Wisconsin. For example, I greatly appreciate Senator Burke's sponsorship of a proposal that would provide local governments across the state with additional transportation aids to more accurately reflect local governments' responsibility for 90% of the state road mileage maintenance. I also thank the Governor for the progress he made on this issue yesterday. I also very much appreciate the acknowledgment that Representative Gard is giving on the funding problems for Youth Aids, a terribly important state/county program.

In closing, I want to briefly mention three policy issues in the budget bill that are of particular interest to Dane County. First, voters in my county recently passed a land and parks referendum with an overwhelming 75% endorsement. They told me they support using public funds to purchase parks and open space. I need to have the statutory authority for a 1/12 of a cent sales tax so I can carry out those purchases our citizens have voted for. We need your approval of that local option. I am willing to take the heat and do this, but I need you to remove the statutory barriers that prevent us from doing this.

Second, there are wholesale changes in the farmland preservation law that will harm our efforts to preserve farmland and the agricultural character of our county. 1,700 Dane County farmers greatly benefit from this credit, and I ask that you to retain this credit.

Finally, we wholeheartedly support the Governor's Stewardship Program, but firmly believe some changes are needed in the regulatory language in the budget bill. These changes would reduce the amount of assistance local governments and private, non-profits receive from the state to preserve Wisconsin lands for generations to come. I ask for your support to ensure we continue to have their current access to the funds this vital program provides.

Thank you, in advance, for your support on these critical funding and policy issues.

Transfer Program and Shared Revenue: \$1.3 million in 2000 alone. This means county government needs to either cut services or increase property taxes. In an attached document, Susan Crowley, director of Dane County Human Services, offers many examples of such cuts.

Only one of our major appropriations, Youth Aids, was increased. That increase, 2 percent in each year of the biennium, will generate an additional \$130,000 in 2000. Our projected 1999 Youth Aids expenses are \$27 million. Other major revenues are frozen over the biennium.

If the state revenues we receive as local aids had increased by a modest 2 percent in each of the last five years, Dane County would be receiving an additional \$2.6 million more than we received in 1999. As the attached chart shows, even a 2 percent increase would not have been, on average, sufficient to keep up with the five year average of population growth the county experienced and inflation, as determined by the consumer price index.

It is not reasonable for the state to depend on counties to carry out the Legislature's will without recognizing inflation and population growth. We are not asking the state to do more than what we are willing to do locally. I have used inflation and population growth to develop my own targets for levy growth in Dane County. In 1999, that meant that levy growth was 2.9 percent, the second lowest increase in 20 years.

If it is unreasonable to freeze key state revenues, it is even more destructive and unacceptable to cut these funds. Our choice in Dane County will be a grim one: to cut vital human services or raise property taxes.

The following list is what we really need you to change in the budget bill:

- **Property Tax Exemption for Copiers, ATMs, and other Office Equipment and Increases in the Sales Tax Administrative Fee to 1.75%:** Delete the language from the budget. These provisions will cost Dane County \$550,000 annually in lost local revenues.
- **Shared Revenue:** Since Dane County loses under the formula, we urge a formula change that would ensure our shared revenue funds do not decline each year. Since 1995, Dane County has lost \$588,470. The county will lose an additional \$268,018 under the formula in the upcoming biennium.
- **Community Aids:** Restore the cuts in Community Aids and allocate a 3% increase in each year of the biennium. Explore using tobacco suit settlement funds and Temporary Assistance to Needy Family block grant surpluses to the extent possible. Eliminate performance requirements and use the \$4.5 million in each year of the biennium to apply toward restoring the cuts in the appropriation and eliminate language authorizing the state to reduce a county's appropriation based on a consumer's eligibility for the MA purchase plan.
- **Reimbursement for Treating Tobacco Related Illnesses:** Using a portion of the tobacco suit settlement funds provide a one-time lump sum payment of \$12.5 million to counties (Dane County's share would be approximately \$449,430) to pay for past

General Assistance medical costs charged to property taxpayers to treating tobacco related illnesses. Also provide funding for an on-going appropriation to pay for the annual costs of treating tobacco related illnesses associated with locally funded medical care for the indigent and jail populations and for public health costs to prevent youth from starting to smoke and to help adults who do smoke quit.

- **Circuit Court Block Grant:** Add 3% in each year using expanded county authority to retain a greater portion of the court fees it collects. Dane County currently puts in \$3.8 million in levy to fund the state court system. Recently, Dane County's share of funding for the state court system has grown from 70 percent in 1996 to 74 percent in 1999.
- **General Transportation Aids:** We support Senator Burke's proposal, which would increase transportation aids by 11.7% over the 1999 base. This increase brings funding for transportation for local units of government closer to receiving our fair share of segregated transportation revenues to more accurately reflect our responsibility for roads in the state. Currently local governments have jurisdiction over 90 percent of the 112,000 miles of roads in Wisconsin, but we receive only 32.5% of the segregated transportation revenues.
- **Youth Aids:** Increase the appropriation by 3% over Governor's 2%. Restore statutory language requiring the Department of Corrections to fund juvenile corrections rate increases out of state funding. Explore using tobacco suit settlement funds and Temporary Assistance to Needy Family block grant surpluses for Youth Aids to the extent possible.
- **Community Options Program:** Increase the number of COP slots sufficiently to reduce current waiting lists by 25 percent. Dane County's current waiting list is 1,200.
- **Medical Assistance Waivers:** Increase waiver per diem rates by 3 percent in each year of the biennium.
- **Medical Assistance Nursing Home Rates:** Increase nursing home rates by 3 percent in each year of the biennium.
- **Intergovernmental Transfer Program:** Increase the ITP by allowing counties to keep a greater share of the ITP returned to the state from county nursing home losses.

Policy Changes

- **Local Sales Tax for Land Conservation Purchases:** Pilot in Dane County a local sales tax option of 1/12 of a percent to be used exclusively for purchase of open space and park lands. The provision would sunset once \$30 million was raised. (Our local referendum passed on a 75% vote.)
- **Stewardship:** Base stewardship grants on the appraised, versus the assessed, value of the land using the current process employed by DNR and DOT. Increase the funding in the local assistance category to \$6.5 million (proposed levels reduce local assistance from the current \$5.5 million to \$2.3 million, with \$1 million going to brown fields). Also, ensure local units of government have access to the land acquisition category.
- **Farmland Preservation:** Maintain the linkage between tax credits offered to farmers and exclusive agricultural zoning. (Dane County has the highest number of

farmers receiving the Farmland Preservation Credit statewide.) Retain the soil and water conservation credit, but treat it as a supplement to the farmland preservation credit. Re-evaluate credit formulas to allow for cost of living increases and allow for reasonable off-farm income.

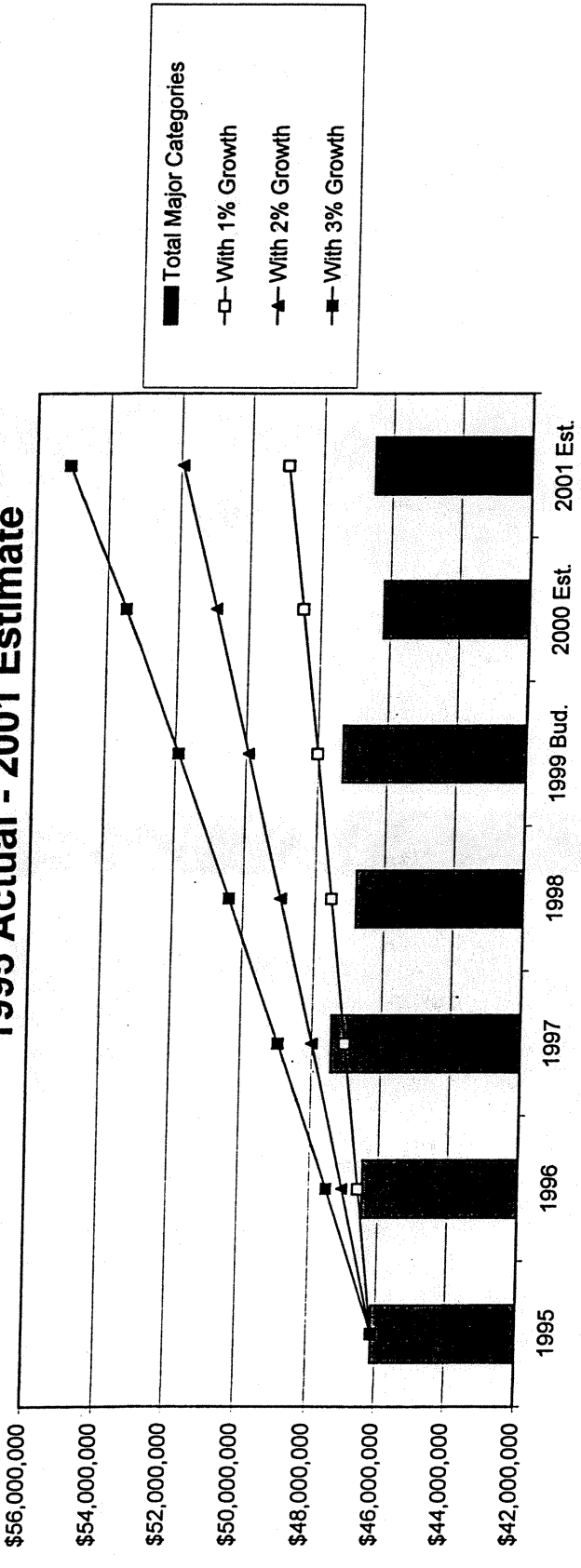
- **Long-Term Care Redesign:** Pilot different long-term care redesign models, but eliminate statutory changes in the budget.
- **Community Youth Grants:** This grant opportunity could help Dane County fund prevention programs locally for juvenile offenders through community-based agencies. However, the budget language requires DWD, not the local human/social services to review and approve grant applications from community-based agencies. This should be changed to allow the local human/social services department to review and approve local grant applications.

Save List

- Y2K Liability Protection
- MA Purchase Plan for People with Disabilities
- Brighter Futures Prevention Funding
- Funding for Workforce Attachment Services
- BadgerCare
- River Grant Program

Thank you, in advance, for your efforts on behalf of Dane County citizens.

Changes in State Aid (Selected Sources) 1995 Actual - 2001 Estimate



NOTE: 1999 Budget allowable Mill Rate increase was based on the most recent actual data available at the time - from 1997. The 2000 Budget will be based on actual data from 1998.

| | 1995 | 1996 | 1997 | 1998 |
|------------|-------|-------|-------|-------|
| INFLATION | 2.83% | 2.95% | 2.29% | 1.56% |
| POPULATION | 1.07% | 1.11% | 1.19% | 1.14% |

Amount of Shortfall between 2000 Estimate and 1999 Budgeted
Mill Rate Change Assuming 5 % valuation increase over amount used for 1999 budget

-\$1,105,595
0.04637107

Effect on \$135,000 House

\$6.26

Calculation of Mill Rate:

$$\begin{array}{rcl} \text{Shortfall} & \underline{-\$1,105,595} & = \quad 0.04637107 \text{ or 4.64 cents per thousand} \\ \text{Eq. Value} & \$23,842,345,643 & \end{array}$$

Amount of Shortfall between 2000 at 2% growth and 2000 Estimate
Mill Rate Change Assuming 5 % valuation increase over amount used for 1999 budget

-\$4,746,085
0.19906115

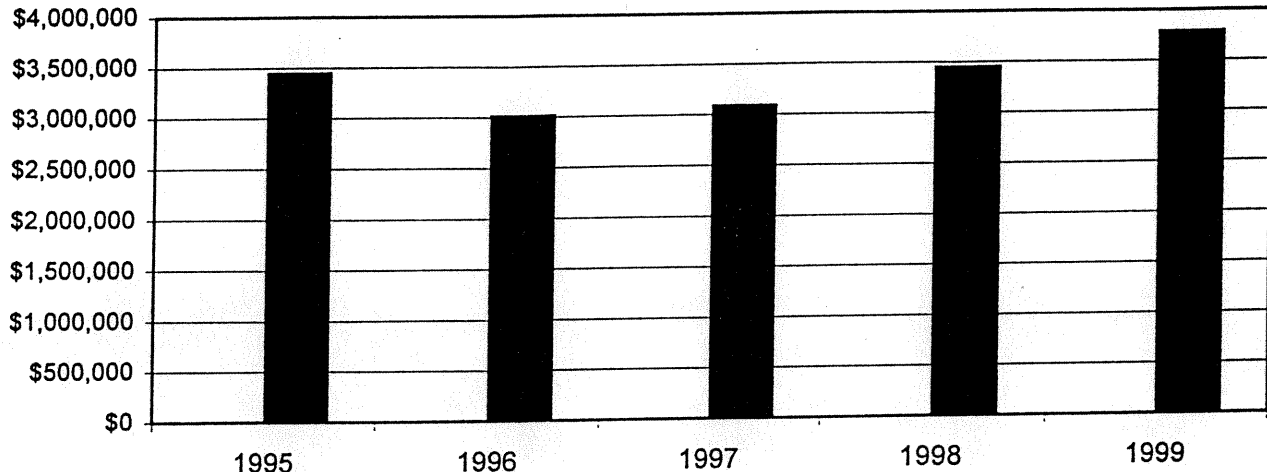
Effect on \$135,000 Home

\$26.87

Calculation of Mill Rate:

$$\begin{array}{rcl} \text{Shortfall} & \underline{-\$4,746,085} & = \quad 0.19906115 \text{ or 19.91 cents per thousand} \\ \text{Eq. Value} & \$23,842,345,643 & \end{array}$$

DANE COUNTY LEVY FOR COURT-RELATED COSTS



Circuit Court Block Grant funding increased from \$279,500 in 1995 to \$1,272,900 in 1996.

DANE COUNTY TAX DOLLARS LEVIED FOR COURT-RELATED COSTS 1995 - 1999 BUDGETS

| CATEGORY | 1995 | 1996 | 1997 | 1998 | 1999 |
|-------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| General Court | \$2,591,300 | \$1,972,250 | \$2,170,000 | \$2,469,500 | \$2,722,180 |
| Alt. To Incarceration | \$346,500 | \$300,600 | \$315,200 | \$345,480 | \$369,928 |
| GAL | \$194,100 | \$417,600 | \$265,800 | \$267,400 | \$303,500 |
| Fam. Court Commissioner | \$314,500 | \$321,900 | \$335,000 | \$367,000 | \$389,800 |
| ALL COURT COSTS | \$3,446,400 | \$3,012,350 | \$3,086,000 | \$3,449,380 | \$3,785,408 |



Dane County Department of Human Services

Director - Susan Crowley
1202 Northport Drive, Madison, WI 53704-2092
PHONE: (608) 242-6200 FAX: (608) 242-6293

KATHLEEN M. FALK
DANE COUNTY EXECUTIVE

MEMORANDUM

To: Dane County Legislators

From: Susan Crowley, Director

Date: April 12, 1999

Re: Proposed 1999-2001 Biennial Budget - Human Services

A review of the proposed 1999-2001 biennial budget will freeze or cut critical county revenues during the next two-year period. Included are Community Aids, Medical Assistance Waiver programs (CIP), Income Maintenance Administrative Allocation, Intergovernmental Transfer Program Revenues and Medical Assistance rates. These revenue sources affect the most vulnerable individuals in our communities -- adults with developmental, mental and physical disabilities and the frail elderly-- as well as children, youth and their families. Youth Aids receives a very modest increase (to cover the cost of juvenile correction rates only).

If Dane County were to increase local levy to assure the continuation of services at present levels, a 10% increase in the department's share of levy would be necessary. For example, looking just at the year 2000 the 10% levy increase would occur due to cuts of \$1.1 million in federal and state revenue and \$1.5 million in lost cost-of-living increases (2%). Alternatively, if the county budget were not increased by 10%, cuts in current level of services would result.

It is estimated that Dane County would need to reduce services in 2000 by \$2.6 million dollars under the proposed state budget. Depending on local decisions, the following are examples of reductions that could affect Dane County citizens:

- 12 persons with developmental disabilities will lose community living opportunities (\$443,870)
- 48 persons with developmental disabilities will lose their supported employment programs (\$381,140)
- 28 families with children with disabilities will lose Family Support program resources (\$108,536)

- 34 families will lose access to critical respite services which enable them to have their children with disabilities live at home (\$ 24,620)
- 54 persons with disabilities will lose transportation services to participate in the community (\$ 99,682)
- 15 persons with physical disabilities will lose the support service which allows them to live independently in the community (\$ 64,980)
- 8 adults with serious and persistent mental illness will lose adult family home options (\$ 67,176)
- 15 individuals with serious and persistent mental illness will lose the support of their Community Support Program (\$ 81,000)
- 50 individuals with serious and persistent mental illness will lose access to important day programs that enable them to become self-sufficient (\$109,296)
- 33 older adults experiencing dementia and age-related psychological disorders will not receive mental health services (\$ 33,000)
- 4000 meals per year will be unavailable to the frail elderly (\$ 21,200)
- Home chore and outreach service hours will be reduced to 54 elderly participants (\$ 88,500)
- 10 women with children will not access necessary drug and alcohol treatment (\$80,000)
- 10 parents at high risk of abuse and neglect will go unserved (\$7,000)
- 20 youth will lose pre- employment and skills training (\$85,000)
- 35-40 youth will not receive service to assist them in staying in school or getting a GED (\$45,000)
- 400 individuals will lose Alcohol and Other Drug Abuse outreach and early intervention services (\$220,000)
- 5 families will lose comprehensive services for their severely emotionally disturbed child (\$210,000)
- Reduce department staff by 10 positions (\$430,000)

Total
\$ 2,600,000

In conclusion, the Governor's proposed budget will mean a reduction in the availability of critical community services that provide our most vulnerable citizens with the opportunities to participate and grow in the Dane County community or a very large increase in property taxes. It is critical that the State of Wisconsin continues to adequately support local human services departments as we carry out state mandates and protect our citizens.