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**Gov Agency:** DOJ - County-Tribal Law Enforcement

**Recommendations:**

**Paper No.** 165     **Alternative:** 1

**Comments:**

Approves recommendation with a technical change. Funds the county-tribal law enforcement program with tribal gaming revenue and \$6,000 in penalty assessment revenue, rather than with GPR and 4.55% of penalty assessment revenue as under current law. Transfers the unencumbered penalty assessment revenue to the new OJA appropriation under the bill.

Funding the county-tribal law enforcement program with tribal gaming revenue appears to be an appropriate since it would support programs and services of the county in which the tribe is located, and would help with law enforcement or public safety initiatives.

The increased funding does not reflect an expansion of the current program but rather an approved 16.515 request for increased PR expenditure authority that is not reflected in DOJ's base.

**Prepared by:** Deb



## Legislative Fiscal Bureau

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May 21, 1999

Joint Committee on Finance

Paper #165

### *Tribal Gaming Revenue Allocations*

### **County-Tribal Law Enforcement (DOJ)**

[LFB 1999-01 Budget Summary: Page 384, #14]

#### **CURRENT LAW**

Under current law, the Department of Justice (DOJ) provides payments to counties for cooperative county-tribal law enforcement programs. To receive payment, the county and tribe must annually submit to DOJ a joint program plan and a report on the performance of law enforcement activities on the reservation in the previous fiscal year. Adjusted base funding for the program is \$60,000 GPR and \$597,700 PR and 1.0 PR position. DOJ's county-tribal programs -- surcharge receipts appropriation receives 4.55% of penalty assessment revenue to help fund the program.

#### **GOVERNOR**

Delete \$60,000 GPR and provide \$161,200 PR annually for the county-tribal law enforcement program. Change the funding source for the program from general purpose revenues and 4.55% of penalty assessment revenues to the appropriated amounts of Indian gaming receipts. Repeal the GPR county-tribal law enforcement programs and the county-tribal programs -- surcharge receipts (penalty assessment) appropriations, and modify the local and state county-tribal programs program revenue appropriations to accept tribal gaming revenue, rather than penalty assessment revenue. Provide that 90% of the unencumbered balance of the county-tribal programs -- surcharge receipts appropriation on the effective date of the bill be transferred to a newly-created penalty assessment appropriation under the Office of Justice Assistance (OJA). The Governor estimates that this would result in \$71,900 of unencumbered penalty assessment program revenue being transferred to OJA. Transfer the 10% balance remaining in the county-tribal law enforcement -- surcharge receipts appropriation (which would be repealed) to the county-tribal programs -- state operations appropriation.

## DISCUSSION POINTS

1. Under the bill, \$758,900 PR annually would be provided for the county-tribal programs (\$708,400 for local assistance and \$50,500 for state operations). Funding would be provided from tribal gaming revenue provided to the state under the recently completed state-tribal gaming compact amendments.

2. The increased funding provided under the bill does not reflect an expansion of the current program. Rather, the additional funding reflects a s. 16.515 request for increased program revenue expenditure authority approved by the Committee in April, 1998, but not reflected in the Department's adjusted base.

3. The intended use of the tribal gaming revenue is specified in most of the amended compact agreements. Eight of the agreements contain a government-to-government memorandum of understanding (MOU) relating to the use of the additional payments. Generally, the MOU specify the following purposes for the use of the revenue: (a) economic development initiatives to benefit tribes and/or American Indians within Wisconsin; (b) economic development initiatives in regions around casinos; (c) promotion of tourism within the state; and (d) support of programs and services of the county in which the tribe is located. The Potawatomi MOU specifies these four purposes for spending, but would limit this spending to Milwaukee and Forest Counties. The Red Cliff agreement also restricts several of the purposes to the Red Cliff tribe or the area around Red Cliff.

4. Four of the MOU also specify an additional area of spending: (a) the Bad River, Red Cliff and St. Croix agreements include law enforcement initiatives on reservations; and (b) the Stockbridge-Munsee agreement includes public safety initiatives on the Stockbridge-Munsee reservation.

5. As a result, one could argue that the county-tribal law enforcement program administered by DOJ is an appropriate use of the tribal gaming revenue, since it would support programs and services of the county in which the tribe is located, and would help with law enforcement or public safety initiatives.

6. The Governor would repeal the appropriation that currently receives 4.55% of all penalty assessment revenue and would transfer 90% of the unencumbered 1998-99 closing balance to the new OJA appropriation (which would receive all penalty assessment revenue) and the remaining 10% to DOJ's county-tribal programs -- state operations appropriation, which would receive tribal gaming revenue. According to revised penalty assessment revenue estimates, the 10% amount would equal \$6,000.

7. Under the Governor's recommendation, DOJ's county-tribal programs -- state operations appropriation would be authorized to receive only monies transferred from the Indian gaming receipts appropriation under the Department of Administration's Division of Gaming. If the Committee wishes to approve the Governor's recommended 10% transfer to DOJ's county-tribal

programs -- state operations appropriation, a technical correction would be required to reflect the receipt of penalty assessment revenue into the appropriation.

8. The bill would retain the current funding level for the county-tribal law enforcement program. Since the newly created county-tribal programs -- state operations appropriation is authorized to receive tribal gaming revenue exclusively, the Committee may wish to transfer 100% of the unencumbered 1998-99 closing balance of the county-tribal law enforcement -- surcharge receipts appropriation to the new OJA penalty assessment surcharge receipts appropriation. Under this alternative, it is estimated that \$60,100 would be transferred to the OJA appropriation. As a result, an additional \$6,000 in penalty assessment revenue would be available for other purposes.

## **ALTERNATIVES**

1. Approve the Governor's recommendation to delete \$60,000 GPR and provide \$161,200 PR annually for the county-tribal law enforcement program. Change the funding source for the program from general purpose revenues and 4.55% of penalty assessment revenue to the appropriated amounts of tribal gaming revenue. Repeal the GPR county-tribal law enforcement programs and the county-tribal programs -- surcharge receipts (penalty assessment) appropriations, and modify the local and state county-tribal programs appropriations to accept tribal gaming revenue. Provide that 90% of the unencumbered balance of the county-tribal programs -- surcharge receipts appropriation on the effective date of the bill be transferred to a newly-created penalty assessment appropriation under OJA. Transfer the 10% balance remaining in the county-tribal programs -- penalty assessment surcharge receipts appropriation (which would be repealed) to the county-tribal programs -- state operations appropriation. In addition, modify the appropriation language to enable the county-tribal programs -- state operations appropriation to receive penalty assessment revenue. It is estimated that \$54,100 would be transferred to the OJA appropriation from DOJ's county-tribal programs -- surcharge receipts appropriation and \$6,000 would be transferred to the county-tribal state operations appropriation.

<b>Alternative 1</b>	<b>PR</b>
1999-01 REVENUE (Change to Bill)	\$17,800

2. Modify the Governor's recommendation by transferring 100% of the unencumbered balance of the county-tribal programs -- surcharge receipts appropriation to a newly-created penalty assessment appropriation under OJA. It is estimated that this would result in a transfer of \$60,100 to the new OJA appropriation.

<b>Alternative 2</b>	<b>PR</b>
1999-01 REVENUE (Change to Bill)	\$11,800

3. Delete the Governor's recommendation to provide \$758,900 PR annually in tribal gaming revenue for the county-tribal law enforcement program. Instead, provide \$60,000 GPR annually and \$698,900 PR annually from penalty assessment revenue to restore current funding for the program. Provide that the penalty assessment funding be the appropriated amounts rather than 4.55% of penalty assessment revenue, and transfer 90% of the unencumbered balance of the county-tribal programs -- surcharge receipts appropriation to the OJA appropriation on the effective date of the bill.

<u>Alternative 3</u>	<u>GPR</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 REVENUE (Change to Bill)	\$0	\$17,800	\$17,800
1999-01 FUNDING (Change to Bill)	\$120,000	-\$120,000	\$0

Prepared by: Barbara Zabawa