

Committee Name:
Joint Committee – Finance
(JC–Fi)

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Legislative Fiscal Bureau

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

July 15, 1999

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Corrections – Section 13.10 Request for Serious Juvenile Offender Costs – Agenda
Item II

The Department of Corrections (DOC) requests the transfer of \$251,100 GPR from three appropriations under the Division of Juvenile Corrections to the appropriation for serious juvenile offenders [s. 20.410 (3)(cg)]. The transfer would address a shortage of funds for payments required under the serious juvenile offenders appropriation. The amounts would be transferred from the following appropriations:

<u>Appropriation</u>	<u>Amount Transferred</u>
s. 20.410(3)(a) -- general program operations	\$146,300
s. 20.410(3)(c) -- county reimbursement claims	43,100
s. 20.410(3)(f) -- community intervention program	61,700
Total Transfer	\$251,100

BACKGROUND

The Serious Juvenile Offender (SJO) program was created under 1995 Act 27, the 1995-97 biennial budget act. A juvenile is subject to an SJO placement for certain acts committed on or after July 1, 1996, as follows: (a) if the juvenile is 14 years of age or over and has been adjudicated delinquent for committing an act that is equivalent to a Class A or B felony; or (b) the juvenile is 10 years of age or over and has been adjudicated delinquent for attempting or committing first-degree

intentional homicide or for committing first-degree reckless homicide or second-degree intentional homicide. An SJO disposition may only be made for these juveniles if the judge finds that the only other disposition that would be appropriate is placement in a secured correctional facility.

For a juvenile receiving a disposition as a Serious Juvenile Offender, the court is required to make the order apply for a period of five years if the adjudicated act was equivalent to a Class B felony offense, or until the juvenile reaches 25 years of age if the adjudicated act was equivalent to a Class A felony offense. The program provides for component phases (various institutional, treatment and community-based sanctions) that are intensive, highly structured and based on both public safety considerations and the participant's needs. An SJO-adjudicated juvenile is subject to supervision, care and rehabilitation that are more restrictive than ordinary supervision in the community.

The costs relating to institutional care and all components of aftercare for juveniles under an SJO disposition are paid by the state from a GPR appropriation for serious juvenile offenders. The state is also required to pay, from this appropriation, the institutional and aftercare costs of juveniles adjudicated for certain violent offenses committed before July 1, 1996 (termed "violent juvenile offenders") and the costs of "waived and extended jurisdiction" juveniles. This latter category includes certain juveniles under adult court jurisdiction currently placed at juvenile facilities and juveniles under the extended jurisdiction of the juvenile court who committed certain serious offenses prior to July 1, 1996. Under current law, then, serious juvenile offenders, violent juvenile offenders and waived/extended jurisdiction juveniles are state funded; counties have no fiscal responsibility for the care and treatment of these offenders. Any unencumbered balance in the SJO appropriation on June 30 of each fiscal year is transferred to community youth and family aids (youth aids) provided to counties.

Under the 1997-99 biennial budget act, the SJO appropriation was authorized to expend \$6,569,600 GPR in 1997-98 and \$10,813,200 GPR in 1998-99. Under a June 23, 1998, s. 13.10 action, the Committee approved the transfer of \$1,377,800 in SJO funding from the 1998-99 appropriation to the 1997-98 appropriation, to cover 1997-98 SJO expenses. This transfer resulted in 1998-99 expenditure authority of \$9,435,400 GPR for SJO costs.

ANALYSIS

The Department's request is to transfer \$251,100 GPR within the Department to fund the serious juvenile offenders appropriation in 1998-99. Under the request, the SJO funding would be transferred from three juvenile correctional services appropriations.

The annual SJO appropriation amounts are calculated on the basis of the anticipated average daily population (ADP) for each type of care, multiplied by the daily rate for each type of care,

times 365 days. The types of care include secured correctional facilities, alternate care (such as child caring institutions, foster homes and group homes), aftercare supervision and corrective sanctions.

The following table shows the estimated ADP relating to each type of care and the projected cost, under both the 1997-99 budget act and the current reestimate.

1998-99 Serious Juvenile Offenders Appropriation

	<u>1998-99 Budget</u>	<u>June, 1999 Reestimate</u>
<u>Secured Facilities</u>	<u>ADP</u>	<u>ADP</u>
Serious Juvenile Offenders	154	112
Violent/Waived/Extended	<u>0</u>	<u>32</u>
Subtotal Secured Facilities	154	144
 <u>Alternate Care</u>		
Serious Juvenile Offenders	10	14
Violent/Waived/Extended	<u>0</u>	<u>4</u>
Subtotal Alternate Care	10	18
 <u>Aftercare</u>		
Serious Juvenile Offenders	10	16
Violent/Waived/Extended	<u>28</u>	<u>14</u>
Subtotal Aftercare Care	38	30
 <u>Corrective Sanctions</u>		
Serious Juvenile Offenders	31	12
Violent/Waived/Extended	<u>9</u>	<u>3</u>
Subtotal Corrective Sanctions	40	15
 Total Projected Cost	 \$10,813,200	 \$9,686,500

The Department's estimates of ADP and total 1998-99 costs for the SJO appropriation appear to be accurate. As noted above, under Committee action relating to a June 23, 1998, s. 13.10 request, \$1,377,800 in SJO funding was transferred from the 1998-99 appropriation, to cover 1997-98 SJO expenses. This results in 1998-99 expenditure authority of \$9,435,400 GPR for SJO costs. The projected costs of \$9,686,500 exceed this expenditure authority by \$251,100. These costs must be fully covered, as the state is obligated to pay the cost of care and treatment relating to these juveniles.

At the time the Department's s. 13.10 request was submitted, it was anticipated that the SJO costs could be covered through transfers from three GPR appropriations under the Division of Juvenile Corrections: (a) general program operations; (b) reimbursement claims of counties containing secured correctional facilities; and (c) community intervention program. However, the balances in these three appropriations lapsed to the general fund on June 30, 1999.

In order to cover the additional 1998-99 SJO costs, the Department could pay the costs from its 1999-00 SJO appropriation. Until the passage of the 1999-01 budget, the Department's 1998-99 SJO appropriation authority (\$10,813,200) would continue in 1999-00. Under the 1999-01 budget, as adopted by the Joint Committee on Finance, the Assembly and the Senate, the SJO appropriation would be provided \$11,973,400 GPR in 1999-00 and \$14,407,100 GPR in 2000-01 in a biennial appropriation.

CONCLUSION

Authorize the Department of Corrections to pay \$251,100 in remaining 1998-99 SJO expenses from its 1999-00 SJO appropriation.

Prepared by: Art Zimmerman



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July 15, 1999

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Health and Family Services -- Section 13.10 Request for BadgerCare Funding --
Agenda Item III

The Department of Health and Family Services (DHFS) requests the transfer of \$16.6 million GPR from the Committee's 1998-99 program supplements appropriation to the 1998-99 BadgerCare benefits appropriation to support health care services to persons enrolled in BadgerCare for the period between July 1, 1999, and the effective date of the 1999-01 biennial budget act.

ANALYSIS

1997 Wisconsin Act 27, the 1997-99 biennial budget act, provided \$16.6 million GPR in the Committee's 1998-99 program supplements appropriation to support the costs of a health insurance program for low-income families and directed DHFS to obtain a federal waiver to implement the BadgerCare program created in Act 27. DHFS submitted a waiver request in January 1998, and on January 22, 1999, the federal Department of Health and Human Services approved the waiver. Act 27 requires DHFS to implement BadgerCare on July 1, 1998, or the effective date of the waiver (July 1, 1999), whichever is later.

DHFS began enrolling families in BadgerCare on July 1, 1999, and will be required to reimburse health care providers for services provided to enrollees beginning on July 19, 1999. Since no funding was budgeted in the BadgerCare appropriation in 1998-99, there is no base funding for the program that would enable DHFS to make payments for BadgerCare services in 1999-00 until the general effective date of the 1999-01 biennial budget. As recommended by the Joint Committee on Finance, the 1999-01 biennial budget would provide \$22,356,500 GPR and \$40,033,600 FED in 1999-00 and \$34,218,300 GPR and \$61,758,100 FED in 2000-01 to fund the

costs of BadgerCare benefits. However, this funding will not be available to support the program until the general effective date of the biennial budget. Consequently, in order for DHFS to meet its obligation to reimburse health care providers for services provided under BadgerCare, it is necessary to transfer funds to the 1999-00 GPR BadgerCare appropriation before July 19, 1999.

At the time DHFS submitted its s. 13.10 request, it was anticipated that the funding budgeted in the Committee's 1998-99 supplemental appropriation would be available for transfer to the 1999-00 GPR BadgerCare appropriation. However, this funding was lapsed to the general fund on June 30, 1999, and is no longer available to support BadgerCare expenses in 1999-00.

In order to ensure that sufficient funding is available to pay providers for health services under BadgerCare, the Committee could approve a temporary transfer of \$16.6 million from the 1999-00 GPR medical assistance benefits appropriation to the 1999-00 GPR BadgerCare benefits appropriation and direct the Department of Administration (DOA) to transfer \$16.6 million from the 1999-00 BadgerCare benefits appropriation to the 1999-00 MA benefits appropriation within 30 days after the general effective date of the 1999-01 biennial budget act.

Because the funding provided in the budget bill, as recommended by the Joint Committee on Finance, is more than \$16.6 million in 1999-00, this action would not affect total GPR expenditures in the 1999-01 biennium.

CONCLUSION

DHFS will need to begin paying providers for services beginning on July 19, 1999. In order to enable DHFS to make these payments, the Committee could transfer \$16.6 million GPR in 1999-00 from the MA benefits appropriation to the 1999-00 BadgerCare benefits appropriation and require DOA to transfer \$16.6 million from the 1999-00 BadgerCare benefits appropriation to the 1999-00 MA benefits appropriation within 30 days of the general effective date of the biennial budget act.

Prepared by: Amie T. Goldman

Tommy G. Thompson
Governor

Jon E. Litscher
Secretary



State of Wisconsin
Department of Corrections

Mailing Address

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June 24, 1999

MEMORANDUM

TO: The Honorable John Gard, Co-Chair
Joint Committee on Finance

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

FROM: Jon E. Litscher, Secretary
Department of Corrections

RE: Amended §16.515 (1) Request for Appropriation §20.410 (1) (gt)
Numeric Appropriation 184 – Telephone Revenues

On April 27, 1999 the Department of Administration forwarded a Department of Corrections request for one-time increased expenditure authority in FY 99 of \$1,060,800 PR in appropriation §20.410(1)(gf) and \$2,300,000 PR in appropriation 20.410(1)(gt). These additional resources were requested by the Department to address projected deficits in rent and in salary.

On May 17, 1999 the Joint Committee on Finance approved the request related to increased expenditure authority for probation and parole supervision fees of \$1,060,800 (in §20.410(1)(gf)) and raised an objection to the portion of the request relating to telephone revenues of \$2,300,000 (in 20.410(1)(gt)). The \$2,300,000 was requested to address the Department's projected salary deficit at that time.

I am writing to inform the Committee that the Department has revised earlier salary projections with more recent data. We are now showing a remaining deficit of \$1,916,400. This represents a reduction of approximately \$383,600 from the original request. This reduction is attributable to each Division's implementation and careful monitoring of deficit reduction plans.

The Department also has a pending pay plan supplement request with the Department of Administration (DOA). DOA's statewide pay plan supplement request is currently before the Joint Committee on Finance for approval. In the event this supplement is approved in whole, our projected deficit would be reduced to \$1,216,400.

Thank you for your consideration of this request.

cc: Cindy O'Donnell, Deputy Secretary
Jessica O'Donnell, Executive Assistant
Cindy Archer – DMS

Mary Cassady - DMS
Bev Balakhovsky - DMS
Dick Verhagen, DAI

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August 30, 1999

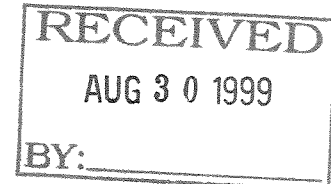
MEMORANDUM

TO: The Honorable John Gard, Co-Chair
Joint Committee on Finance

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

FROM: Jon E. Litscher, Secretary
Department of Corrections

SUBJECT: § 13.10 Request – Additional Contract Beds and Position
Authority for Supermax Facility



The Department of Corrections (DOC) requests that the Joint Committee on Finance (JCF) schedule time at its next §13.10 meeting in September to consider a request for additional contract bed capacity and authorization of staff for the opening of the Supermax facility in Boscobel.

The Department requests authorization for an additional 250 out-of-state contract beds to relieve overcrowding in Wisconsin prison facilities. This is in addition to the 3,857 previously approved out-of-state contract beds.

The Department is also providing notification to the Committee of our intent to move 87 previously approved beds from Texas to the Corrections Corporation of America (CCA) site in Sayre, Oklahoma.

To accommodate these changes, the Department requests approval of a modified contract with Corrections Corporation of America that increases the capacity at the Sayre, Oklahoma site to 1,440.

The Department of Corrections also requests position authority for 184.89 FTE at the Boscobel Supermax facility, which is scheduled to receive inmates in November 1999. In order for the Supermax to open by November, position authority is needed by mid-September. Because it is unclear when the budget will pass, these positions are being requested at this time. Further delay in obtaining position authority for this facility will result in a delay in opening. These positions were requested in the budget to be filled in July, August, and September 1999.

Background

Contract Beds - On August 20, 1999, the Department housed 18,117 male inmates in a system with a capacity for 14,443. Additional contract bed authority is required at this time because of immediate space constraints and continued population pressures. The need for additional contract beds cannot wait until passage of the budget. Since January of this year the Department has experienced an average rate of growth of approximately 44 inmates per week.

The 1999-01 biennial budget bill provides full funding for an average daily population (ADP) of 3,857 currently authorized out-of-state contract beds. The JCF, Assembly and Senate versions of the budget bill vary. The version that authorizes the lowest projected funding for new contract beds provides for an average daily population (ADP) of 181 in FY 00 and 1,892 in FY 01. The Department has developed an implementation schedule for bringing the requested 250 new contract beds on line in FY 00 that results in an ADP of 181.

On August 2, 1999, I wrote to the JCF describing my overall goal of consolidation of contracted bed space wherever feasible. Although it is my long-range goal to decrease the usage of contract beds in Texas, it is anticipated that this will occur slowly over the next year. It is anticipated that within the next month we will be reducing our populations in Texas by 87 beds. As we vacate these 87 Texas beds we plan to begin moving an additional 87 inmates into the Sayre, Oklahoma site.

On August 4, 1999, in compliance with the directive of the Committee I submitted notification of the Department's intent to maintain 354 inmates at the Duluth Federal Prison Camp in Minnesota and transfer the authority for 46 inmate beds from Duluth to the North Fork facility in Sayre, Oklahoma. The increase of 46 beds at the Sayre, Oklahoma site brought this facility's approved capacity to 1,103. This was the best avenue to address the population needs facing the Department and was consistent with my overall goal of consolidation.

The Department is also experiencing reduced bed capacities at in-state county jails (e.g. Outagamie, St. Croix and Manitowoc Counties). These counties have been experiencing increased bed needs for their own offenders, resulting in fewer beds for state use.

The Department currently has a request for proposal (RFP) advertised with a September 2, 1999, proposal due date. The Department's population pressures are serious enough that we cannot wait for the processing of the RFP and the signing of the biennial budget bill.

Approved bed capacity at the Sayre, Oklahoma facility is now at 1,103 of its total available 1,440 beds. The requested additional 250 beds plus the 87 beds being transferred from Texas would bring the capacity at Sayre, Oklahoma to 1,440. A modified contract reflecting this change is included with this request for your approval.

Supermax Position Authority - 1997 WI Act 237 provided initial staffing, training costs for correctional officers and funding for startup of the institution. Activation plans have been completed. Candidates selected for Officer 1 positions will begin nine weeks of officer training in the Boscobel area on August 30th. Other staff recruitment, examinations, and interviews have been held. However, employment offers cannot be made without position authority. In addition, the Department has received 99 requests for employee transfers from other institutions. These requests cannot be honored without position authority.

In order to open the institution on schedule, staff must be familiar with institution policies and procedures, as well as with the facility and its highly technical systems.

Due to the unique nature of the Supermax facility, all staff must also receive two weeks of special training, given at the institution. The position authority requested here would provide sufficient staff for proper administration, security, and programming for inmates who will be received gradually. The positions not included in this request are primarily associated with housing units that will be occupied in later phases, and these can be filled after the budget passes.

Sources of Funding

This request is only for authority for contract beds and positions. A request for funding cannot be made at this time since the 1999-01 Biennial Budget has not passed.

All versions of the biennial budget bill place funding for currently authorized contract beds in DOC. The funding for additional contract beds is placed in Joint Finance's appropriation. The Department is able to absorb the increased cost of the 250 beds on a short-term basis. A future §13.10 action will be needed to restore the funding for these beds to DOC's base.

Costs associated with the Supermax will also be absorbed through base funding. When the biennial budget passes, the funds will be restored to the base.

Summary

This request asks for authorization to increase currently approved out-of-state contract beds by 250. The request further advises the Committee of the Department's intent to transfer authority of 87 beds from Texas to the Corrections Corporation of America (CCA) at the Sayre, Oklahoma site. The Department also requests approval of a modified contract with CCA to expand the capacity at Sayre, Oklahoma to 1,440. It is the intent of the Department to return with a future §13.10 action once the budget bill is signed for funding and restoration of base contract bed funds.

The request also asks for position authority for 184.89 FTE to staff the Supermax correctional institution so that the institution can open on schedule. The remaining 60.00 FTE for the institution can be hired after passage of the budget.

The Department will be represented by Secretary Jon Litscher, Dick Verhagen, Division of Adult Institutions Administrator, and Cindy Archer, Division of Management Services Administrator.

cc: Robert Lang, Legislative Fiscal Bureau
Mark Bugher, Department of Administration

Prepared By:

Lucie Widzinski-Pollock, Analyst
Bur. of Budget and Fac. Mgmt.
266-5070

Barbara Carlson, Analyst
Bur. of Budget & Fac. Mgmt.
266-9340

SECOND ADDENDUM TO
CONTRACTUAL SERVICES CONTRACT
BETWEEN CORRECTIONS CORPORATION OF AMERICA
AND DEPARTMENT OF CORRECTIONS

This contract addendum is made and entered into this ____ day of _____, 1999, by and between the State of Wisconsin, Department of Corrections, having its principal office at 149 East Wilson Street, Madison, Wisconsin, 53702, hereinafter referred to as the "Department", and Corrections Corporation of America, a corporation organized under the laws of the State of Tennessee, having its principal office at 10 Burton Hills Boulevard, Nashville, Tennessee, 37215, hereinafter referred to as "Contractor", to amend the contract made and entered into between the Department and the Contractor on March 6, 1998 and amended on June 26, 1998.

WHEREAS, the Department is authorized pursuant to sec. 301.21, Stats., to enter into contracts for the transfer and confinement in another state of inmates who have been committed to the custody of the Department, and

WHEREAS, in accordance with the terms and conditions of Request for Proposal #C-461, on November 16, 1997, the Contractor submitted a Proposal to the Department and has been selected by the Department to house inmates committed to the Department, and

WHEREAS, a need has arisen to place additional Wisconsin inmates at the Sayre, Oklahoma facility, and

WHEREAS, the Department is authorized by statute and by the Wisconsin legislature's Joint Committee on Finance to enter into this Addendum pursuant to which the Contractor will provide housing and other contractual services for certain inmates, and

NOW, THEREFORE, in consideration of the promises, covenants and agreements contained herein, the parties mutually agree to contract between the parties dated March 6, 1998, and amended on June 26, 1999 is hereby further amended as follows:

1.0 INMATES

The Department will transfer additional male inmates to the Contractor's North Fork Correctional Facility in Sayre, Oklahoma up to a capacity of 1,440.

2.0 FUNDS AVAILABLE AND AUTHORIZED

The Department will have sufficient funds available and authorized for expenditure to finance the costs of up to 1,440 inmates to the Contractor's facility in Sayre, Oklahoma.

3.0 TERMS AND CONDITIONS

All other terms and conditions of the aforementioned Contract made between the Contractor and the Department on March 6, 1998, and amended on June 26, 1998, remain in effect unchanged by this Addendum.

4.0 EFFECTIVE DATE

This Addendum is effective _____, 1999.

IN WITNESS WHEREOF, the parties hereunto affix their signature below:

FOR THE DEPARTMENT OF CORRECTIONS:

Jon E. Litscher, Secretary

Date Signed

FOR THE CONTRACTOR:

Doctor Michael Quinlan, Chairman and CEO

Date Signed

Tommy G. Thompson
Governor

Jon E. Litscher
Secretary



State of Wisconsin
Department of Corrections

Mailing Address

149 East Wilson Street
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Telephone (608) 266-2471
Fax (608) 267-3661

June 24, 1999

MEMORANDUM

TO: The Honorable John Gard, Co-Chair
Joint Committee on Finance

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

FROM: Jon E. Litscher, Secretary
Department of Corrections

RE: Amended §16.515 (1) Request for Appropriation §20.410 (1) (gt)
Numeric Appropriation 184 – Telephone Revenues

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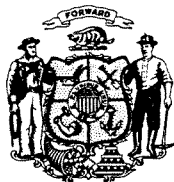
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FROM: Jon E. Litscher, Secretary
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SUBJECT: §13.10 Request – Serious Juvenile Offender

The Department of Corrections is requesting a transfer of \$251,100 GPR in FY99 to §20.410(3)(cg), Serious Juvenile Offender (SJO) from the following appropriations:

- \$146,300 GPR from §20.410(3)(a), General Program Operations
- \$ 43,100 GPR from §20.410(3)(c), Reimbursement Claims of Counties
Containing Secured Correctional Facilities
- \$ 61,700 GPR from §20.410(3)(f), Community Intervention Program

Background

1993 WI Act 16 created a Violent Offender appropriation which required the State to pay correctional costs for juveniles adjudicated as violent juvenile offenders, effective January 1, 1995. 1995 WI Act 27 enacted the Serious Juvenile Offender (SJO) Program effective July 1, 1996. The SJO appropriation 20.410(3)(cg) pays all costs, institution, alternate care, corrective sanctions, and aftercare for juveniles who are given the following dispositions: SJOs, Violent Offenders, extended, and waived jurisdictions.

Analysis

In FY98, the budgeted Average Daily Population (ADP) to be funded from this appropriation was 157. The actual ADP for the year was 177. In June 1998, the Department of Corrections projected a deficit in this appropriation and submitted a

§13.10 request to transfer funds from an adult GPR appropriation. The Joint Committee on Finance directed the Department to transfer the amount necessary, from the FY99 appropriation under §20.410(3)(cg) to pay the actual costs of juvenile care in FY98 under §20.410(3)(cg). Per the Joint Committee on Finance directive, the Department transferred \$1,377,800 GPR from the FY99 SJO appropriation to the FY98 SJO appropriation so that FY98 costs would be covered.

The FY99 ADP for SJOs, Violent Offenders (VO), and Extended Jurisdiction (EJ) juveniles who would be placed in Juvenile Correctional Institutions, Aftercare, Corrective Sanctions, and Alternate Care was budgeted at 242. 1997 WI Act 27 funded appropriation 20.410(3)(cg) at \$10,813,200 for FY99. As a result of the deficit in FY98, the Department transferred \$1,377,800 from the FY99 appropriation. This left \$9,435,400 in this appropriation for FY99.

The Serious Juvenile Offender population has grown at a rate slower than that budgeted in 1997 WI Act 27. In July 1998, there were 118 SJO youth supported by this appropriation in the institutions and field. In the first seven months of FY99 there were 24 SJO youth admitted to the institutions and another 24 from February through April for a total of 166. The Department is projecting that an additional five SJOs will be admitted during both May and June for an endpoint of 176. The projected ADP for SJOs for FY99 is 154.

While the growth in the number of SJOs has increased slower than anticipated, the actual ADP for VOs and EJs has decreased slower than anticipated. The projected ADP for the VO and EJ youth in FY99 is 53 for a total projected ADP of 207 in this appropriation. While the ADP is lower than what was originally budgeted, a deficit is projected due to the transfer of funds to pay for the FY98 deficit.

The Department has expended \$7,955,600 in this appropriation through April 1999 and is projecting an additional \$1,730,900 to be spent in May and June 1999. The total projected expenditures for FY99 are \$9,686,500. Total funds available are \$9,435,400 leaving a deficit of \$251,100.

Availability of Funds in Other Appropriations

The Department has identified \$251,100 in various appropriations that can be transferred to offset the deficit. These funds are projected to lapse or are available for the following reasons:

§20.410(3)(a) funds general operations for the Division of Juvenile Corrections. The \$146,300 GPR is available because of salary and fringe savings related to vacancies and cancellation of proposed purchases.

§20.410(3)(c) funds claims to counties containing secured correctional facilities. The \$43,100 GPR lapse is generated because the actual claims from counties were less than

what was appropriated for FY98 and the remaining funds were accumulated unspent funds that were carried over into FY99.

§20.410(3)(f) funds Community Intervention Programs in counties for early intervention and certain repeat juvenile offenders. The \$61,700 GPR lapse is available because there were unspent funds in FY98 which were carried over into FY99.

Summary

The Department of Corrections requests a one-time transfer in FY99 of \$251,100 GPR to §20.410(3)(cg) from §20.410 (3)(a), (3)(c) and (3)(f) to eliminate the deficit in the Serious Juvenile Offender appropriation.

Prepared by: Dawn Woeshnick, DOC Bureau of Budget
266-0569

Tommy G. Thompson
Governor

Jon E. Litscher
Secretary



State of Wisconsin
Department of Corrections

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June 16, 1999

TO: The Honorable John Gard, Co-Chair
Joint Committee on Finance

The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

FROM: Jon E. Litscher, Secretary
Department of Corrections

SUBJECT: §13.10 Request – Racine Youthful Offender Correctional Facility Food
Service

The Department of Corrections requests that \$300,000 GPR be transferred from §20.865 (4) to §20.410 (1) (a) to pay for a part of the food contract for the Racine Youthful Offender Correctional Facility (RYOCF).

Background

1997 WI Act 27 placed \$645,700 GPR in reserve in the Joint Committee on Finance Supplemental Appropriation, § 20.865 (4) in the event that food costs for the RYOCF contract exceeded the amount budgeted for food.

At first, a low bid of \$1.20 per meal was received, and it appeared that the \$470,000 GPR budgeted for food would be sufficient for the contract. Consequently, on November 16, 1998, the Department submitted a §13.10 requesting the transfer of JCF reserved funds, including the \$645,700 GPR set aside for RYOCF, to support additional contract beds.

Prior to approval of the §13.10, problems developed with the food vendor. The contractor gave notice late in November that the food contract would be terminated unless new conditions were met.

On November 29, 1998, the Department submitted a modification to its November 16th request for additional contract beds and asked that \$300,000 GPR continue to be reserved in the JCF appropriation for possible use at RYOFC, due to the uncertainty of food costs from a future vendor.

Following the termination of the contract with the original vendor, the Department negotiated a new contract with the Kenosha Achievement Center, a sheltered workshop, for \$2.07 per meal. At this rate, the Department estimates a shortfall of \$543,900 GPR in FY99 in food related costs at RYOFC.

The Department requests that the \$300,000 GPR placed in reserve in the Joint Finance Supplemental Appropriation be released to DOC to cover some of the increased food cost at RYOFC. The remainder will be covered with internal transfers.

Summary

The Department of Corrections requests that \$300,000 be transferred from §20.410 (1) (a) to pay for costs related to the RYOFC food contract.

Cc: Robert Lang, Legislative Fiscal Bureau
Mark Bugher, Department of Administration

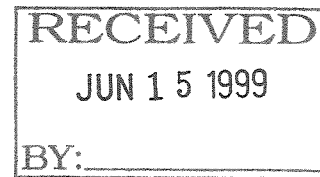
Prepared by: Barbara Carlson, DOC Bureau of Budget



State of Wisconsin
Department of Health and Family Services

Tommy G. Thompson, Governor
Joe Leean, Secretary

June 10, 1999



The Honorable Brian Burke
Senate Co-Chair, Joint Committee on Finance
Room 316 South, State Capitol
Madison, WI 53702

The Honorable John Gard
Assembly Co-Chair, Joint Committee on Finance
Room 315 North, State Capitol
Madison, WI 53702

Dear Senator Burke and Representative Gard:

The Department of Health and Family Services (DHFS) requests that the Joint Finance Committee, acting under s. 13.10, transfer \$16,600,000 GPR from the Committee's appropriation s. 20.885(4)(a) to the DHFS BadgerCare benefits appropriation s. 20.435(5)(bc) to be used for BadgerCare program benefit expenditures beginning July 1, 1999.

Background

The 1997-99 biennial budget directed the Department to implement a health care program called BadgerCare for low-income families with children and obtain the necessary federal approvals and waivers to do so. The Department submitted its federal waiver request for BadgerCare in January 1998. On January 22, 1999 the federal government approved the Department's waiver with an effective date of July 1, 1999. Wisconsin statutes (s. 49.665(2)) require the Department to implement BadgerCare on the effective date of the waiver. The Department has completed the necessary preparatory work, including making changes to the automated eligibility system (CARES), training county eligibility workers, etc., to begin operation of BadgerCare on July 1.

The 1997-99 biennial budget placed \$16,600,000 GPR in the Committee's appropriation for use in expanding health care coverage for low-income individuals.

Request

On June 2, as part of its 1999-01 biennial budget deliberations, the Committee adopted Motion #997 which included funding for the BadgerCare program, as described in Legislative Fiscal Bureau Paper #476. The Committee approved GPR funding of \$22,356,500 GPR in FY 00 and \$34,218,300 GPR in FY 01 for BadgerCare benefits.

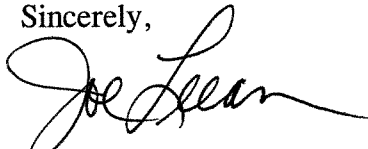
The Department's BadgerCare benefits appropriation, s. 20.435(5)(bc) has no expenditure authority in FY 99. BadgerCare is scheduled to begin on July 1, the beginning of FY 00. However, because the biennial budget bill will likely be signed sometime after July 1, there will be no funding in the BadgerCare benefits appropriation in the period between July 1 and the effective date of the 1999-01 biennial budget bill. Therefore, the Department is requesting that the Committee transfer the \$16,600,000 GPR that is reserved for BadgerCare in FY 99 to the DHFS BadgerCare appropriation. Since it is a continuing appropriation, the \$16,600,000 will carry forward and be available to the Department to begin funding program benefits under BadgerCare effective July 1. This will allow the program to begin as scheduled without needing to wait for the 1999-01 biennial budget bill to be signed.

If the Committee transfers the \$16,600,000 in FY 99, the legislature could then reduce the GPR funding it had approved in the 1999-01 biennial budget by an equal amount in each year to reflect the new base GPR funds.

The Department believes that this request is the most efficient and effective means to assure there is funding to implement BadgerCare on July 1, 1999. In the absence of Committee action, there will be a delay for a significant number of Wisconsin families in obtaining access to health care coverage.

Thank you for your consideration of this request. If you have further questions on this issue or you wish to discuss it, please contact me or Peggy Bartels, Administrator of the Division of Health Care Financing.

Sincerely,



Joe LEEAN
Secretary

cc: Bob Lang, LFB
Charlie Morgan, LFB
Mark Bugher, DOA
Rick Chandler, DOA
Jennifer Kraus, DOA
Dan Caucutt, DOA