

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

**Appointments**

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**Committee Hearings**

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99hr\_JC–Fi\_RCP\_pt00

**Tommy G. Thompson**  
Governor

**Jon E. Litscher**  
Secretary



**State of Wisconsin**  
**Department of Corrections**

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DATE: August 25, 2000

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

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

FROM: Jon E. Litscher, Secretary  
Department of Corrections

A handwritten signature in black ink that reads "Jon E. Litscher" followed by a stylized flourish.

SUBJECT: §13.10 Request – Education Initiative

**Request**

The Department of Corrections requests position authority of 13.25 GPR FTE and a transfer of \$1,186,000 GPR in FY01 from the Committee's appropriation under §20.865(4)(a) for the expansion of the Fox Lake Correctional Institution (FLCI) Education Program and the upgrading of Educational Local Area Network (LAN) software and hardware for the Division of Adult Institutions (DAI), the Division of Juvenile Corrections (DJC), and the Division of Community Corrections (DCC). Of the funds requested, \$868,300 would be transferred to §20.410(1)(a), general program operations for Adult Corrections, \$242,600 would be transferred to §20.410(3)(a), general program operations for DJC, and \$72,100 would be transferred to §20.410(1)(b), general program operations for DCC.

**Background**

**Expansion of Adult Education Programming in Fox Lake Correctional Institution**

The Fox Lake Correctional Institution has an operating capacity of 691, with 1,175 inmates in residence as of 8/18/00. Of those inmates, approximately 490 have functional literacy needs. Current educational programming at this facility includes:

- Adult basic education, high school equivalency diploma, and principles of adult learning system; and
- A variety of vocational programs.

### Upgrading Educational Computer Systems

Due to the overwhelming need for educational programming throughout the adult and juvenile institutions and correctional centers, there is a need to expand educational technological support. Funding is needed for two types of support:

- (1) To cover annual basic education technical support (server maintenance, help desk, on-site problem resolution, license upgrades, etc.) for 563 desktop computers on the education LAN. Of the 563 computers, 216 are used for the DJC, 136 for the DCC, and 211 for the DAI; and
- (2) A one-time cost for upgrading DJC and DAI sites so that they have the capacity to run the basic literacy software and the vocational instruction software for Microsoft Office 2000, which is the standard established by the Wisconsin Technical College System. Without the requested upgrades, the literacy software cannot be used and the office computer skills training programs will not be accredited by the WTC system.

### Funds in Committee's Appropriation

The 1999-01 biennial budget (1999 Act 9) placed \$16,198,600 GPR in FY00 and \$49,001,400 GPR in FY01 into the Committee's appropriation §20.865(4)(a) for cost increases of currently approved out-of-state contract beds, additional out-of-state contract beds, community corrections purchase of services and operating costs associated with the opening of two 150-bed workcenters.

The Joint Finance Committee has authorized the release of \$43,751,400 from this appropriation to date. The following balance of funds currently remains in the Committee's appropriation and is identified for the Department of Corrections:

<b>PURPOSE</b>	<b>FY 01</b>
Funding for Contract Beds	\$18,050,500
Funds for SOR Website	\$331,100
Workhouses	\$3,067,000
<b>TOTAL</b>	<b>\$21,448,600</b>

### Analysis

#### Expansion of Adult Education Programming in Fox Lake Correctional Institution

Of the total inmate population in Wisconsin, it is estimated that nearly 48% are functionally illiterate (reading below the 9<sup>th</sup> grade level). Currently, approximately 2,292 inmates are receiving some type of adult basic education (ABE) Department-wide. Approximately another 7,866 inmates needing ABE instruction are not receiving these services.

The ability of inmates to enter society and successfully obtain employment remains a high priority for the DOC. Education in the institutions has been a positive way to teach inmates necessary skills as well as keeping them from sitting idle. In Governor Thompson's 2000 State-of-the-State address he stated that he is "instructing the Department of Corrections to target the

necessary resources for basic reading skills and GED studies so that no inmate will leave prison without being able to read and fill out a job application.” This request is a result of that charge given to the Department.

The proposed expansion of Fox Lake educational program would serve an additional 270 inmates. The expansion will provide an increased capacity of 90 inmates in Basic Literacy Instruction (0-8<sup>th</sup> grade skills) and 180 inmates in HSED Continuing Instruction (9-12<sup>th</sup> grade skills). Class size for each of these components is 30 inmates per teacher.

The additional staff being requested for this program are:

<b>FTE</b>	<b>CLASSIFICATION &amp; DESCRIPTION</b>
3.00	Teachers to provide basic instruction
6.00	Teachers to provide HSED level instruction
1.00	Teacher Supervisor (to provide second shift supervision)
1.00	Program Assistant to assist with enrollment needs
1.25	Officer 1 to secure the academic area
<b>12.25</b>	<b>TOTAL</b>

The proposed expansion of this program is designed for second shift implementation at FLCI. Currently, almost all programs at FLCI run on a first-shift schedule, using all available space. The proposed expansion allows for utilization of the same space but at alternative times. The physical facility is limited to nine academic classrooms being available on second shift. The projected cost for these positions is \$464,600 GPR in FY01.

#### Upgrading Educational Computer Systems

The Department of Corrections' 1999 Educational Technology Plan includes the following goals:

- Provide offenders with access to educational technology to promote learning;
- Adopt minimum educational technology standards;
- Upgrade hardware and software as resources become available; and
- Distribute surplus hardware according to the plan developed by the Educational Technology Committee.

Upgrading Educational LANs to an efficient and standardized level is essential for the Education staff to meet the plans, goals, and mandates it has been presented with. Without the requested upgrades to the educational LANS, the literacy software cannot be used and the education program will not meet the Wisconsin Technical College System standards. The table below provides detail on the estimated costs of upgrading the Education LAN.

Annual basic education support (563 desktop computers @ \$530 ea)	\$298,390
One-time cost for upgrading DJC	\$128,060
One-time cost for upgrading DAI (93 workstations @ \$2150 ea)	\$199,950
Infrastructure costs at various DAI sites (hubs, wiring upgrades, etc.)	\$42,500
<b>TOTAL</b>	<b>\$668,900</b>

In addition, the Department requests \$48,400 and 1.0 GPR FTE Network Support Professional to support the Educational LAN. The Bureau of Technology Management (BTM) has neither sufficient FTE nor funding to contract with a vendor to provide technical support for the Educational LANs. The Educational LANs create a significant workload issue for BTM. The requested FTE is needed to provide technical support to 21 institutions located throughout the state and include all DOC juvenile and adult facilities. This position will assume responsibility for:

- the installation of new workstations;
- the maintenance of 563 workstations;
- the installation, maintenance, and upgrades for an educational LAN server in each institution;
- the testing of new and upgraded educational and operating system software;
- the installation and maintenance of installed educational software to assure compliance with Department standards and with certification requirements from organizations such as the Wisconsin Technical College System; and
- the maintenance of technical support for the libraries in each institution.

Annualized costs for this request will be fully funded in the 2001-03 biennial budget through the full funding decision item per the Department of Administration's 2001-03 budget instructions.

### Summary

The Department of Corrections requests position authority of 13.25 GPR FTE and the transfer of \$1,186,000 GPR in FY01 from the Committee's appropriation under §20.865(4)(a) for the expansion of the Fox Lake Correctional Institution (FLCI) Education Program and the upgrading of Educational Local Area Network (LAN) software and hardware for the Division of Adult Institutions (DAI), the Division of Juvenile Corrections (DJC), and the Division of Community Corrections (DCC). Of the funds requested, \$868,300 should be transferred to §20.410(1)(a), general program operations for the DAI, \$242,600 should be transferred to §20.410(3)(a), general program operations for the DJC, and \$72,100 should be transferred to §20.410(1)(b), services for Community Corrections for the DCC.

cc: Robert Lang, Legislative Fiscal Bureau  
George Lightbourn, Department of Administration

Prepared By: Lucie Widzinski-Pollock, Bureau of Budget and Facilities Management  
266-5070

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264-6749



# State of Wisconsin • DEPARTMENT OF REVENUE

125 SOUTH WEBSTER STREET • P.O. BOX 8933 • MADISON, WISCONSIN 53708-8933 • 608-266-6466 • FAX 608-266-5718

*Tommy G. Thompson*  
Governor

*Cate S. Zeuske*  
Secretary of Revenue

August 25, 2000

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

The Honorable John Gard  
Co-Chair, Joint Committee on Finance  
315 North Capitol

Dear Senator Burke and Representative Gard:

### Summary of Request

The Department of Revenue requests a supplement of \$288,126 and 2.5 FTE permanent positions for the appropriation under s. 20.566 (1)(a) in FY01 from the committee's appropriation under s. 20.865(4)(a) to provide funding for a cigarette excise tax tracking system as required under 1999 Wisconsin Act 122, which implements an agreement between the State of Wisconsin and tobacco product manufacturers. Ongoing base funding of \$320,900 for FY02 would be necessary.

### Background of Request

To protect state revenues received as a result of the "Master Settlement Agreement" (MSA) between the states and the tobacco companies, Wisconsin has enacted legislation requiring all tobacco product manufacturers who were not part of the original settlement (non-participating manufacturers, or NPMs) to place money into an escrow account based on the number of cigarettes sold each year. Act 122 requires such an escrow. If Wisconsin fails to diligently enforce this legislation (believed to create a "level playing field" between NPMs and participating manufacturers), the state faces a potential reduction in its tobacco settlement payment.

Act 122, requires the Department of Revenue to "promulgate the regulations necessary to ascertain the amount of Wisconsin excise tax paid on the cigarettes of each tobacco product manufacturer for each year." This information could potentially be needed by the Department of Justice to bring a civil action on behalf of the state against any tobacco product manufacturer that it believes has failed to place the required funds into escrow.

While the Department of Revenue currently tracks excise taxes collected, Act 122, in concert with the Master Settlement Agreement, will require obtaining more detailed information than the department currently collects. The department has promulgated an emergency rule covering the period from the effective date of Act 122, May 23, 2000, to the date a permanent rule becomes effective. The emergency rule and proposed permanent rule (Tax 9.69) require cigarette distributors to report the number of cigarettes that are stamped for sale in Wisconsin by manufacturer.

Further, because some manufacturers sell many different brands of cigarettes, some of which are covered under the MSA and some that are not covered, the department will need to track both participating manufacturer and NPM sales by brand of cigarette. Detailed information by brand is not currently maintained by DOR.

#### Resources Required

Implementation of a new tracking system would impose an impossibly large burden on the current cigarette tax processes and staff. Instead, the department proposes to develop and maintain a more complex enforcement computer system specifically to store and report cigarette tax information by brand. Collecting this level of detailed information would allow Wisconsin to comply with requirements to track NPM-cigarette sales. This system would be coupled with an electronic filing process to simplify entry of the data by the department and allow distributors to tie department reporting requirements directly with their own systems which already capture brand data. This approach is consistent with the department direction to expand usage of automated systems to promote efficiencies and improve services to taxpayers.

In an effort to seek other funding sources for the development of the enforcement system, the department obtained the assistance of the Attorney General in submitting an application in June, to the National Association of Attorney's General (NAAG). The department is applying for a one-time grant from the State's Antitrust/Consumer Protection Tobacco Enforcement Fund. This Fund was established as part of the MSA for the purposes of enforcement and implementation of the terms of the agreement and to provide monetary assistance to the states in their efforts. A grant request is limited to \$200,000 and may not be

used to pay the salary or ordinary expenses of any permanent employe. The department requested \$196,000 for computer programming services and the purchase of servers, desktop computers and furniture. We anticipate notification on this grant request within the next few weeks.

The department proposes to contract with a vendor to develop the system over a 2-year period at an estimated cost of \$1,078,500. In order to minimize this cost in any one fiscal year, the department proposes to fund these system costs using a master lease over a seven-year period beginning in FY01. Should the department be successful in the NAAG grant application and receive those funds in FY01, we would use those one-time monies toward the expenses identified in the attached table for master lease, furniture and PC's in FY01.

As previously stated, to meet the requirements of the settlement agreement, the new computer system will have to track much more information than is collected now for cigarette tax. The system is expected to store data for an estimated 750,000 cigarette transactions collected over a four-year period. A LAN-base DB/2 database should handle the volume adequately, but a new LAN server must be acquired. The system will also require 1.5 FTE ongoing permanent positions to provide applications, data, network, and business support starting in FY01.

The system will need to be fully functional for handling all phases of cigarette tax processing. In addition to basic processes for computation, cross-checking, adjustment, and file maintenance, the system will incorporate:

- Audit trails of actions performed by system users.
- Taxpayer profiles.
- Audit referrals.
- Auditor data queries and ad-hoc report generation.
- Remote access through the Internet, with appropriate security controls.
- Statistical reports.

The department's excise tracking system program will require the use of the system-generated information by 1.0 FTE ongoing permanent auditor position starting in FY01. The position will audit reports to ensure that the department is collecting the required detailed cigarette brand sales information in the event that the Department of Justice brings legal action against any tobacco product manufacturer. This position will also investigate cigarette transaction discrepancies and verify adjustments generated by the cigarette tax system. Finally, the position will communicate with multiple parties, including state and federal agencies and manufacturers to resolve discrepancies and provide assistance regarding cigarette and tobacco product tax law.



The following table shows a breakdown of the estimated administrative costs during FY2001 and FY2002. An attached table provides greater fiscal detail, including estimated costs during future fiscal years.


**Estimated costs of Development and Support of Cigarette Tracking System**

<b>Expenses</b>	<b>FY 2001</b>	<b>FY 2002</b>
Salaries	\$63,583	\$95,009
Fringe Benefits	\$23,443	\$35,030
Contract Programming (master lease payments)	\$160,000	\$159,800
Server/4PCs (master lease)	\$25,500	\$25,500
Furniture	\$10,000	0
DOA Infotech Charges, Telephone Service, Office Supplies	\$5600	\$5600
<b>TOTAL</b>	<b>\$288,126</b>	<b>\$320,939</b>

**How Request Meets Statutory Criteria**

Section 13.101(3), Stats., provides that an agency may request the Joint Committee on Finance to supplement agency appropriations that are insufficient to accomplish the purpose for which they were established. 1999 Wisconsin Act 122 does not provide funding for the enforcement program assigned to the Department of Revenue. The department will not have funding in its appropriation to implement the detailed excise tax tracking system necessary to meet the requirements of Act 122 and the Master Settlement Agreement. If Wisconsin fails to "diligently enforce" the Master Settlement Agreement and Act 122, the state could face a substantial reduction in its tobacco settlement payments. Therefore, ongoing funding is needed for this critical program.

Sincerely,

  
Cate S. Zeuske  
Secretary of Revenue

Estimated Costs of Development and Support of Cigarette Enforcement Program - Version 2.2

8/25/00

COST ITEM	NO. OF UNITS	UNIT COST	FY01 COST	FY02 COST	FY03 COST	FY04 COST	FY05 COST	FY06 COST	FY07 COST	FY08 COST	FY09 COST	FY10 COST
<b>Permanent Salaries</b>												
Maintain Computer Systems												
IS Comp. Spec. (8 mo.)	1.00 FTE	\$23,419	\$32,599									
IS Comp. Spec.	1.00 FTE	\$23,419	\$48,712	\$48,712	\$48,712	\$48,712	\$48,712	\$48,712	\$48,712	\$48,712	\$48,712	\$48,712
Rev. Tax Spec. 2 (8 mo.)	0.50 FTE	\$18,161	12,640									
Rev. Tax Spec. 2	0.50 FTE	\$18,161	18,887	18,887	18,887	18,887	18,887	18,887	18,887	18,887	18,887	18,887
Audit Taxpayer Reports												
Rev. Auditor 1 (3 mo.)	1.00 FTE	\$13,178	18,344									
Rev. Auditor 1	1.00 FTE	\$13,178	27,410	27,410	27,410	27,410	27,410	27,410	27,410	27,410	27,410	27,410
<b>Total Permanent Salaries</b>	<b>2.50 FTE</b>		<b>\$63,583</b>	<b>\$95,009</b>	<b>\$95,009</b>	<b>\$95,009</b>	<b>\$95,009</b>	<b>\$95,009</b>	<b>\$95,009</b>	<b>\$95,009</b>	<b>\$95,009</b>	<b>\$95,009</b>
<b>Fringe Benefits @ 36.87%</b>			<b>\$23,443</b>	<b>\$35,030</b>	<b>\$35,030</b>	<b>\$35,030</b>	<b>\$35,030</b>	<b>\$35,030</b>	<b>\$35,030</b>	<b>\$35,030</b>	<b>\$35,030</b>	<b>\$35,030</b>
<b>Supporting Expenses</b>												
Contract. Programming (20% reduction)		\$1,078,520										
Masterlease allocations - 7 years			\$160,000	\$159,800	\$129,000	\$155,100	\$155,100	\$155,100	\$155,100	\$131,100	\$71,000	\$17,500
Furniture / tel.	4.0	\$2,500	10,000									
PC/Network install	4.0	\$3,000										
Server & 4 PC's Masterleased		\$72,000	25,500	25,500	25,500	25,500	25,500	25,500	25,500	25,500	25,500	25,500
InfoTech Charges			2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Std Support Costs	3.0	\$1,200	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600
<b>Total Supporting Expenses</b>			<b>\$201,100</b>	<b>\$190,900</b>	<b>\$160,100</b>	<b>\$186,200</b>	<b>\$186,200</b>	<b>\$186,200</b>	<b>\$186,200</b>	<b>\$162,200</b>	<b>\$102,100</b>	<b>\$48,600</b>
<b>Total Costs</b>			<b>\$288,126</b>	<b>\$320,939</b>	<b>\$290,139</b>	<b>\$316,239</b>	<b>\$316,239</b>	<b>\$316,239</b>	<b>\$316,239</b>	<b>\$292,239</b>	<b>\$232,139</b>	<b>\$178,639</b>

ASSUMPTIONS:

1. SB 122 passes in early 2000.
2. Vendor contract signed with 20% price reduction
3. Contractor starts November 2000.
4. Contractor develops initial CIG needs assessment by Dec 2000.
5. DOR approves needs assessment in Jan 2001.
6. System design/development starts in Jan 2001 and lasts for about 2 years.

ACTIONS:

1. 2.5 FTE permanent positions funded in FY01 (1NOV00).
2. Server and PC's purchased with 3 year warranty eliminating server maintenance costs.
3. Vendor contract estimated at \$1,078,500 masterleased for 7 years (maximum) for a total cost of \$1,288,800.
4. Server and PC's masterleased for 3 years. Funding will remain in the base for 3 year replacement schedule.

# Memorandum

STATE OF WISCONSIN  
DIRECTOR OF STATE COURTS



**DATE:** August 25, 2000

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

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

**FROM:** J. Denis Moran, Director of State Courts *JDM*  
Supreme Court of Wisconsin

**SUBJECT:** Request under s. 13.10 for \$60,000 GPR in 2000-2001 for appropriation  
20.680 (4)(a), Law Library

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## REQUEST

Under the provisions of s. 13.10, Wis. Stats., the Director of State Courts, on behalf of the Supreme Court, requests \$60,000 in 2000-2001 for appropriation 20.680 (4)(a), Law Library to pay for legal continuations which were purchased in FY 2000 but whose payment had to be carried over until FY 2001. These purchases cannot be deferred because they will interrupt long series of legal publications that need to remain current in order for the Law Library to adequately serve its users. This deficit situation has been building for the past few years and has currently reached a crisis situation.

## STATUTORY CRITERIA FOR S. 13.10, WIS. STATS., REQUEST

This request is submitted under s. 13.101 (3)(a), under which the Joint Finance Committee may supplement the appropriation of any department, board, commission, or agency, which is insufficient because of unforeseen emergencies or insufficient to accomplish the purpose for which made. In this case, as covered under s. 13.101 (3)(a)(3), increases in the cost of publications beyond the level of the law library appropriation will prevent the library from purchasing publications essential to fulfilling its statutory responsibilities.

## BACKGROUND

Section 758.01, Wis. Stats., directs the Supreme Court to "maintain a state law library for the use of officers and employees of this state, attorneys and the public".

The Wisconsin State Law Library (WSLL) is a public library open to all the citizens of Wisconsin. It serves as the primary legal resource center for the Wisconsin Supreme Court and Court of Appeals, the Department of Justice, the Wisconsin Legislature, the Office of the Governor, executive agencies and members of the State Bar of Wisconsin. It is administered by the Supreme Court, which determines the rules governing library use.

The state minimizes the cost of legal publications by centralizing them in the State Law Library. Executive and legislative agencies are able to limit their legal collections to volumes and series that they need at hand.

The collection contains session laws, statutory codes, court reports, administrative rules, legal indexes, and digests of the U.S. government, all fifty states and U.S. territories. General reference materials include selected documents of the federal government, legal and bar periodicals, legal treatises and legal encyclopedias. It also provides reference and basic legal research services. By the very nature of its collection and whom it serves, it is essential for the library's collection to remain up-to-date and complete.

For the purpose of budgeting and tracking expenditures, the library's resource collection may be divided into two categories: new and continuing. New publications increase the breadth and depth of the library's collection. They provide information in legal areas that are expanding such as laws relating to the use of the Internet and personal privacy. They also provide new or better examinations of existing law, and analyses that take into consideration changes in laws. New publications, which should account for at least 10% of a library's expenditures, account for less than 1% of the WSLL budget.

Continuing publications include updates to statutory law, case law, administrative rules and regulations (primary resource materials), and analyses of and commentaries on primary source materials (secondary materials). These include complete sets of statutes and court decisions for all 50 states and the federal government; regional reporters and digests; titles on various types of law, such as tax law, unemployment insurance, labor relations, social security, and employment safety and health. Many titles, such as the Congressional Index are update weekly; others such as the Wisconsin Digest, are updated monthly or quarterly. Continuations must be purchased on a regular basis, when issued. If not, entire sets, when interrupted, are no longer useful.

## **ANALYSIS**

The funds available to the Wisconsin State Law Library are primarily from a GPR sum certain appropriation. For 2000-2001, the amount appropriated is \$1,022,600: approximately half supports 10.0 FTE staff; \$17,200 for LTE assistance; \$64,600 for supplies' including support of the law library's on-line catalog system; and \$436,800 for permanent property which includes books, copier rental, and master lease payments for computer equipment.

Law book prices have been rising at a significantly higher rate than the consumer price index for many years. For example, over the past twenty years, the price for legal continuations has increased by 846% as compared to an increase in the CPI of 225%. On average, in the past few years, less than 1% of the WSLL book budget has been spent on the purchase of new titles. The Library can no longer afford to purchase the new materials necessary for the user, particularly in specific topic areas that several years ago were not even issues within the legal profession. Previously, the library was able to set as a goal that 10% of the book expenditure authority be allocated for new titles. However, the combination of steadily increasing prices and lower than requested expenditure authority has caused the WSLL to fall far short of that goal.

The library's budget has not increased enough over the last few years to account for the inflation in the law book-publishing field. While the cost of library materials has been increasing at well over 10% annually, the book budget of the WSLL has increased at an average annualized rate of 3.16% over the past ten years, and 2.57% annually during the past three biennia. In its 1999-2001 biennial budget proposal, the Court requested a 7.5% annual increase in the Law library's book budget to try and keep pace with inflationary pressures; instead, a 3.0% annual increase was provided to mirror the projected CPI increase. In contrast, the UW library budget received a 19.0% biennial increase.

Each year, despite the fact that the budget has increased some in most biennia, the WSLL gets further and further behind because the increases that are provided do not reflect the actual cost increases that the library is facing. According to a study published in the *Library Journal* in April, 1999, costs for legal books have risen 42% from 1995 to 1999; during the same period, the library's book budget increased by 9.5%. A separate study, based on a selected number of titles from the major publishers, shows a 35% inflationary price increase from FY96-97 to FY98-99.

Additionally, consolidations and mergers in the law book publishing industry have resulted in there being only two major companies who control most of the market. These companies are bringing out new products, revising old ones, raising shipping/handling charges, and increasing the costs of supplementation to existing sets at alarming rates.

The following table shows WSLL book expenditures, the amount of continuations that were purchased in one year, but had to be paid in the following year, and the amount and percentage of expenditures spent on new titles for the past four years.

<u>YEAR</u>	<u>BOOK EXPENDITURES*</u>	<u>CARRYOVER TO NEXT FY</u>	<u>SPENT ON NEW TITLES</u>
1996-97	365,876	14,674/ 4.0%	3,659/ 1.0%
1997-98	388,702	24,180/ 6.2%	8,551/ 2.2%
1998-99	396,383	29,890/ 7.5%	2,775/ 0.7%
1999-00	426,366	58,900/ 13.8%	2,558/ 0.6%
2000-01 BUDGET	420,000		

\*Includes funds reallocated internally

As can be seen from the above table, the financial hole that the WSLI has been finding itself in has been growing larger each year. Funds have not been spent on expanding the collection, and 14% of its FY 2001 budget will have to be spent on paying for previous years' continuations: this situation will only continue to get worse. Consequently, the Director of State Courts is requesting funding to make the WSLI whole in FY 2001, and will be requesting funding in the 2001-2003 biennial budget to prevent this situation from re-occurring.

The WSLI has been trying very diligently to manage the book budget as cost effectively as possible. Some of the strategies include:

- Internal Reallocation. Funds are reallocated from other purposes to help pay for books. For example, in FY 2000, \$5,500 in savings from LTEs was used for book purchases; in FY 1999, \$2,800 in saving from the supplies line was reallocated.
- Limiting the purchase of new books. In the past, the library allocated 10% of the book budget to new purchases, but by FY 00 the WSLI only spent 0.6% on new books. They currently have a more than \$3500 in new book orders on hold - many of these titles have been requested by library patrons. Since the mission of the WSLI is to serve the needs of current legal research they are hampered by not being able to keep up with new areas of legal practice, such as Internet law and elder law, which are of great interest to their users.
- Carefully evaluate every update before deciding to keep or return. This requires a great deal of staff time as opposed to accepting most continuations on a standing order basis.
- Returning annual cumulative supplements for treatises with the hope that they can afford to buy next year's supplement. In FY 2000, the WSLI returned \$2413 worth of supplements.
- Canceling supplementation subscriptions to selected treatises and looseleaves. Most of these materials are still important to the collection. Therefore, it is hoped that many of these canceled titles will be able to be repurchased within the next several years. This cycling of purchasing/canceling does save some money every year. In FY 2000, the WSLI canceled subscriptions totaling \$9528.
- Eliminating, and/or not purchasing, multiple copies of materials in heavy demand. This strategy does not facilitate the Library's efforts to expand circulation of its materials to all the citizens of Wisconsin.
- Canceling some reference works that, though very useful, are also very expensive. The most recent example is the decision not to purchase the new edition of *Law Books and Serials in Print* (\$734/year). This is a standard work for law libraries but it has to be considered a luxury at this point.

- Selectively weeding and canceling some titles which are not currently in demand.

The nature of a law library and its collections limits the strategies available for cutting back. A law library's collection must contain current information – old law is worse than no law. In order to remain up-to-date, the WSLL must maintain the current primary laws of the United States government and the fifty state governments. This means they purchase, on an ongoing basis, subscriptions which provide the text of court decisions, new laws, administrative rulings and regulations, etc. as well as supplements which update the older laws. The library has invested a great deal over the years to provide access to these sets; to stop updating them would basically make them of little or no use. The users of the library – state government employees, lawyers, judges, and the general public – count on being able to have access to these materials at the State Law Library.

In addition to maintaining primary legal materials the WSLL must also purchase secondary legal materials, the books and services that explain, index and update the law. Law reviews, legal journals, legal newspapers, treatises, digests and indexes, and looseleaf services are just some of the types of materials which are necessary to anyone doing any kind of legal research. Again, these materials and subscriptions must remain current in order to be useful.

The WSLL has turned to the Internet as a possible way to provide access to some materials at no charge. At this point in time there are few legal materials available at no charge. Those that are available are, for the most part, difficult to search and use online. Another major problem with legal information on the Internet is that it is not necessarily reliable, complete, or up-to-date – the characteristics most critical to those needing legal information. The library users tell us over and over again that they want and prefer paper copy, even if a source is available on a CD-ROM or the Internet. In order to provide WSLL users with the service they need, a collection of print materials that can be easily used and circulated must be maintained.

The impact of having to “do without” \$60,000 worth of updates and additions to the collection in this fiscal year would be devastating. The WSLL would have to cancel sets of books that are really needed and used. They would most likely have to be repurchased as soon as funds became available the next fiscal year. This does not accomplish anything, and the delay and lack of timeliness would hurt the users. The State Law Library is a major legal resource for the entire state of Wisconsin and the citizens who call, write and email for assistance are counting on the library to have the materials they need and cannot find in their local libraries. The demand for legal information from a broader population is increasing, and the State Law Library's inadequate budget seriously impedes its ability to have current, accessible materials to meet this growing demand.

It is important to keep this major resource up-to-date. Information is a valuable commodity. Protecting the investment in the State Law Library by providing sufficient

funds to allow the collection to maintain its currency and scope and permit the addition of materials to reflect new issues in the law is a wise investment. Most public libraries in this state cannot maintain any kind of legal collection – they look to the State Law Library to assist them and their users. The WSLI routinely receives letters, telephone calls and email questions from the general public from all across the state as well as from around the country, and it tries to serve them to the best of their ability. The best efforts will be severely hampered by an inadequate collection.

The State has made a considerable investment in the State Law Library, which has become an essential state resource. Continued erosion of funding, and our inability to keep our publications current, will undermine the State's investment. A series of publications, which cannot be kept current, is of little value to its users and a waste of taxpayers' money. Continued financial support will enable the WSLI to maintain its current high level of excellence.

### **SUMMARY**

Under the provisions of s. 13.10, Wis. Stats., the Director of State Courts, on behalf of the Supreme Court, requests \$60,000 in 2000-2001 for appropriation 20.680 (4)(a), Law Library to pay for legal continuations which were purchased in FY 2000 but whose payment had to be carried over until FY 2001. These purchases cannot be deferred because they will interrupt long series of legal publications that need to remain current in order for the Law Library to adequately serve its users. This deficit situation has become increasingly critical over the past several years and current funding for the WSLI is insufficient to pay for the continuations.

J. Denis Moran, the Director of State Courts, will represent the Supreme Court at the Joint Finance Executive session.

cc. Chief Justice Shirley S. Abrahamson  
Jane Colwin, WSLI  
Julie Tessmer, WSLI



# Memorandum

STATE OF WISCONSIN  
DIRECTOR OF STATE COURTS



**DATE:** September 6, 2000

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

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

**FROM:** J. Denis Moran, Director of State Courts *JDM*  
Supreme Court of Wisconsin

**SUBJECT:** Request under s. 13.10 for \$60,000 GPR in 2000-2001 for appropriation  
20.680 (4)(a), Law Library

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The Director of State Courts requests that our submission for \$60,000 in 2000-2001 for appropriation 20.680 (4)(a), Law Library to pay for legal continuations which were purchased in FY 2000 but whose payment had to be carried over until FY 2001, be removed from the agenda for the September 14<sup>th</sup> s. 13.10 meeting.

cc. Chief Justice Shirley S. Abrahamson  
Jane Colwin, WSLI  
Julie Tessmer, WSLI



# State of Wisconsin • DEPARTMENT OF REVENUE

125 SOUTH WEBSTER STREET • P.O. BOX 8933 • MADISON, WISCONSIN 53708-8933 • 608-266-6466 • FAX 608-266-5718 • <http://www.dor.state.wi.us>

Tommy G. Thompson  
Governor

Cate Zeuske  
Secretary of Revenue

September 7, 2000

**TO:** The Honorable Brian Burke  
Co-Chair, Joint Committee on Finance  
316 South Capitol

The Honorable John Gard  
Co-Chair, Joint Committee on Finance  
315 North Capitol

**FROM:** Cate Zeuske, Secretary *Cate Zeuske*

**SUBJECT:** Clarification of DOR s.13.10 Request for Cigarette Tracking System Funding

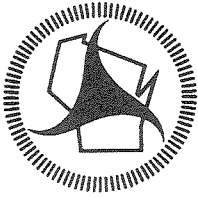
The Department of Revenue submitted a s.13.10 proposal on August 25<sup>th</sup> requesting funding to implement a cigarette excise tax tracking system. We view this system as essential to our role in upholding the requirements under 1999 Wisconsin Act 122 which was enacted in May of this year.

As part of that request, the department asked the Committee for \$288,126 and 2.5 FTE in FY01. Our request also indicates that the department has applied for, and may receive a one-time grant from the National Association of Attorney's General (NAAG) which would fund \$196,000 of the \$288,126 we have requested from the Committee in FY01. We have yet to hear whether our grant application will be successful.

I would like to take this opportunity to clarify that our request to the Committee for funding in FY01 is that the Committee provide the full \$288,126, with \$196,000 placed in unallotted reserve for release only in the event that we do not receive funding from NAAG. I make this request for several reasons.

- First, while I am quite hopeful that our application to NAAG will be successful, the outcome of our grant application process may not be known before the Committee meets on September 14<sup>th</sup>.
- Second, even if the department receives funding from NAAG, our cigarette tax tracking system proposal is for master lease funding and will require payment over a number of years. To ensure continued funding for the project in future years, we are requesting full funding allocated in FY01. This level of funding would then be carried forward in the FY01-03 biennial budget, ensuring stable funding for the tracking system. If the department receives one-time funding from NAAG, equivalent funds placed in unallotted reserve would lapse back to the general fund in FY01.

Thank you for the opportunity to clarify our request.



## Wisconsin Department of Transportation

www.dot.state.wi.us

Tommy G. Thompson  
Governor

Terrence D. Mulcahy, P.E.  
Secretary

Office of the Secretary  
4802 Sheboygan Ave., Rm. 120B  
P.O. Box 7910  
Madison, WI 53707-7910

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September 13, 2000

Senator Brian Burke, Senate Chair  
Joint Committee on Finance  
Room 316 South, State Capitol

Representative John Gard, Assembly Chair  
Joint Committee on Finance  
Room 315 North, State Capitol

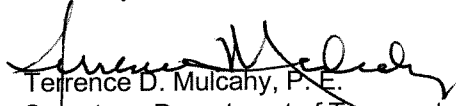
Dear Representative Gard and Senator Burke,

Earlier this week, you received a memorandum from Secretary of Administration George Lightbourn responding to the requirements of Act 9, Laws of 1999, relating to operation of the state's four major vehicle fleets, managed by the Departments of Transportation, Administration, Natural Resources and the University of Wisconsin-Madison. His memo communicated to you the result of a study conducted by a nationally-recognized fleet management consultant and outlined an interagency course of action to implement the study.. **I am writing in order to emphasize that we strongly endorse this cooperative interagency effort.** We believe it can succeed in lowering costs and improving service. This effort will receive our full attention and participation.

The memo from Secretary Lightbourn outlines ten actions which will be pursued, and an identification of the four actions which will be pursued first. We are in complete agreement with the course of action as communicated in his memo, and have already begun to work to achieve the outlined goals and actions. In fact, we believe that the model of strong interagency cooperation and problem-solving is one which has considerable merit and application for other functions as well.

Thank you for your attention to this important matter. If you have any questions regarding these recommendations, please contact me or James McDonnell (264-7700), the director of DOT's Bureau of Management Services, which operates our fleet services.

Sincerely,

  
Terrence D. Mulcahy, P.E.  
Secretary, Department of Transportation

cc: George Lightbourn, DOA  
George Meyer, DNR  
David Ward, UW-Madison  
Robert Lang, Legislative Fiscal Bureau  
Robert Cramer, DOA  
Richard Chandler, DOA



State Senator  
**Chuck Chvala**  
SENATE MAJORITY LEADER

September 14, 2000

The Honorable, The Senate:

Pursuant to Senate Rule 20 (2)(a), I have appointed Senator Jon Erpenbach to the Joint Committee on Finance.

Sincerely,

*Chuck Chvala*

CHUCK CHVALA  
Chair, Committee on Senate Organization





State Senator  
**Kevin Shibilski**

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September 14, 2000

The Honorable Chuck Chvala  
Majority Leader, Wisconsin State Senate  
State Capitol  
Madison, WI 53703

Dear Senator Chvala,

I will be unable to attend the Joint Finance Committee meeting of September 14, 2000. Therefore I am submitting my resignation from the committee.

I will be available to resume my position immediately for the next committee meeting. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Kevin', written over a vertical line.

KEVIN W. SHIBILSKI  
State Senator  
District 24

KS:kw



## Legislative Fiscal Bureau

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

September 18, 2000

TO: Senator Gwendolynne Moore  
Room 409 South, State Capitol

FROM: Jere Bauer, Fiscal Analyst

SUBJECT: Construction at the Ellsworth Correctional Center

At your request, I am providing information on construction projects at the minimum-security Ellsworth Correctional Center for female offenders in Union Grove. Specifically, at the September 14, 2000, s. 13.10 meeting, you asked whether construction projects at the Ellsworth facility would modify plumbing systems at the entire facility.

There are currently two major building projects occurring at the Ellsworth Correctional Center, designed generally to allow additional female inmates to be returned from out-of-state contract facilities.

- On June 28, 2000, the Building Commission approved \$4.3 million in general fund supported borrowing to renovate a vacant wing of the Ellsworth Correctional Center for women and to upgrade the food service capacity of the center. The project will: (a) remodel existing rooms on the third floor to accommodate 100 additional inmates, consistent with previous renovations at the center; (b) add security measures such as officer stations and security cameras; (c) upgrade existing building systems (plumbing, fire suppression and electrical) to accommodate the additional inmates and staff; and (d) provide additional dining space for the facility. In addition, the project will create a new, stand alone production kitchen within the center's existing fence and connected to the center. The additional housing unit is scheduled to be complete by December, 2000; the kitchen project is scheduled to be done in May, 2001.

- On August 8, 2000, the Building Commission approved \$435,000 in general fund supported borrowing to renovate space within the center to provide health and dental services for inmates at the facility. The health services unit is scheduled to be complete by December, 2000.

The project to remodel the vacant wing at Ellsworth will not address plumbing systems generally associated with the facility, but rather only those systems specifically associated with the

renovation of the vacant wing. However, Corrections notes that a portion of the kitchen facility project will address an existing plumbing problem. According to the Department, previous sewage backups have occurred in or near the current kitchen area (located on the ground floor of the facility) during periods of heavy rain. With the construction of the new, stand alone kitchen facility, the Department indicates this problem will be resolved.

I hope this information is of assistance.

JR/dls

cc: Members, Joint Committee on Finance