

XVIII. Department of Corrections – Jon Litscher, Secretary

The department requests the transfer of \$1,219,000 in cash balances from the appropriation under s. 20.410(1)(kk), institutional operations and charges, specifically the Central Generating Plant (CGP) and Waupun Central Warehouse (WCW) numeric appropriations in fiscal year 1999-2000, to the appropriation under s. 20.410(1)(a), general program operations, to partially alleviate a projected health care funding deficit.

Governor's Recommendation

Modify the request. Provide a supplement of \$1,231,600 in appropriation under s. 20.410(1)(kk), institutional operations and charges, then transfer this expenditure authority increase to appropriation s. 20.410(1)(gi), general operations.

STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION  
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON  
GOVERNOR

GEORGE LIGHTBOURN  
SECRETARY



XVIII

Office of the Secretary  
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**Date:** July 10, 2000  
**To:** Members, Joint Committee on Finance  
**From:** George Lightbourn, Secretary  
Department of Administration *George Lightbourn*  
**Subject:** Section 13.10 Request from the Department of Corrections for Transfer of Funds to Cover Increased Pharmaceutical Costs.

**Request**

The department requests the transfer of \$1,219,000 in cash balances from the appropriation under s. 20.410(1)(kk), institutional operations and charges, specifically the Central Generating Plant (CGP) and Waupun Central Warehouse (WCW) numeric appropriations in fiscal year 1999-2000, to the appropriation under s. 20.410(1)(a), general program operations, to partially alleviate a projected health care funding deficit.

**Background**

In 1999 Wisconsin Act 9 the total variable health care budget allocated for DOC's adult inmates in fiscal year 1999-2000 was \$16,857,800, of which \$4,356,900 was allocated for pharmaceutical drugs. DOC expenditures for health care are projected to exceed the budgeted amounts for fiscal year 1999-2000 by \$2,716,800.

The department anticipates being able to absorb approximately \$800,000 of the variable health care cost deficit in fiscal year 1999-2000. The department submitted a s. 16.515 request in May 2000 to increase expenditure authority in the s. 20.410(1)(gt), telephone revenue appropriation by \$700,000 to partially fund this deficit. This request addresses the remainder of the projected deficit.

**Analysis**

As a standard part of its biennial budget request the Department of Corrections estimates projected variable health care costs. Variable health care costs include medical and dental supplies, lab tests, pharmaceuticals, contract services with University Hospital and Clinics, ambulance service, emergency room and hospital visits in local communities and non-state employee physician and nursing services.

Variable health care costs for fiscal year 1999-2000 were budgeted based on the Department of Administration's 1999-2001 budget instructions. The budgeted increases for fiscal year 1998-1999 were 2.3% over fiscal year 1997-1998 expenditures, 3.9% over fiscal year 1998-1999 for fiscal year 1999-2000, and 3.8% over fiscal year 1999-2000 for fiscal year 2000-2001. This resulted in a total variable health care budget of \$16,857,800 in fiscal year 1999-2000, of which \$4,356,900 was allocated for pharmaceutical drugs.

DOC has recently reestimated health care expenditures, which are now projected to exceed the budgeted amounts in fiscal year 1999-2000 by \$2,731,600. The majority of the variable health care deficit is due to increased pharmaceutical drug costs. Per capita pharmaceutical drug costs for fiscal year 1998-1999 were 18.7% over fiscal year 1997-1998 expenditures. Per capita costs for fiscal year 1999-2000 are projected to be 45.1% over fiscal year 1998-1999 expenditures.

The department's experience with increased pharmaceutical costs is consistent with the nationwide trend of rapidly increasing drug prices. These increases often result from new drugs being introduced to the market. New drugs are usually patented for the first seven years, precluding the purchase of more economical generic versions during this time. Examples of these increases are the use of the drug, Rebetrone, to treat inmates with Hepatitis C and the use of various protease inhibitors to treat inmates with HIV. In addition, inmates are receiving more medications. The average number of medications distributed per inmate has increased from 20 per year in fiscal year 1995-96 to almost 28 per year in fiscal year 1998-99.

The department's transfer request is problematic in the mechanism used to transfer the cash balance in the program revenue appropriation. The intent of the department's request could better be affected by first approving a supplement for appropriation s. 20.410(1)(kk) and then transferring this increased expenditure authority to appropriation s. 20.410(1)(gi), general operations. Funding for this health care deficit could then be provided from s. 20.410(1)(gi) since the request would fall within the permissible uses of this appropriation.

### **Recommendation**

Modify the request. Provide a supplement of \$1,231,600 in appropriation under s. 20.410(1)(kk), institutional operations and charges, then transfer this expenditure authority increase to appropriation s. 20.410(1)(gi), general operations.

Tommy G. Thompson  
Governor

Jon E. Litscher  
Secretary



State of Wisconsin  
Department of Corrections

Mailing Address

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DATE: June 21, 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 cursive script that reads "Jon E. Litscher".

SUBJECT: §13.10 Request - Transfer of Funds to Cover Increased Pharmaceutical Costs

**Request**

The Department of Corrections (DOC) requests the transfer of \$1,219,000 cash from the PR-S appropriation under s. 20.410(1)(kk) to the general fund and an increase of \$1,219,000 in the appropriation under s. 20.410(1)(a) in FY00 to partially fund a projected health care deficit within the Department.

**Background**

In 1999 Wisconsin Act 9 (the 1999-01 Biennial Budget), variable health care costs were budgeted based on the Department of Administration's 1999-01 Budget Instructions issued in June 1998. The total variable health care budget allocated for DOC's adult inmates in FY00 was \$16,857,800, of which \$4,356,900 was allocated for pharmaceutical drugs. DOC expenditures are projected to exceed the budgeted amounts for FY00. Table 1 shows the variable health budget, anticipated expenditures and the projected deficit for FY00, broken down between pharmaceuticals and other variable health care.

*Table 1*  
**FY00 Budget vs. Projected Expenditures**  
**Variable Health Care**

	FY00 Budget	Projected FY00 Expenditures	Balance
Pharmaceuticals	\$ 4,356,900	\$6,880,800	\$(2,523,900)
Other Variable Health Care	\$12,500,900	\$12,693,800	\$ (192,900)
Total	\$16,857,800	\$19,574,600	\$(2,716,800)

The Department previously submitted a \$16.515 request to increase expenditure authority by \$700,000 in §20.410(1)(gt) to partially offset this deficit. In this §13.10, the DOC is requesting a transfer of \$1,219,000 in cash balance funds from the Central Generating Plant (CGP) and Waupun Central Warehouse (WCW) appropriations to §20.410(1)(a) to further alleviate the deficit.

Revenue Sources

**Central Generating Plant** - The Waupun CGP is a co-generation plant that produces steam and electricity by burning coal and paper pellets. The low-pressure steam provides space and water heating for Waupun Correctional Institution (WCI) and Dodge Correctional Institution (DCI). High-pressure steam is sold to WCI and DCI primarily for the operation of food service equipment and to the John C. Burke Correctional Center (JBCC) and the Waupun Creamery for space and water heating. Electricity produced by the plant supplements the local utility service to WCI and DCI and provides emergency electrical generation capability. The CGP also sells hard and soft water to various correctional sites in the Waupun area.

**Waupun Central Warehouse (WCW)** - The WCW makes bulk purchases of items such as paper products, inmate clothing, cereal, and flour at discount prices and resells the merchandise to correctional institutions, state agencies, schools and local governments. The ability to purchase in large volume allows WCW to provide merchandise to its customers at substantial cost savings.

Analysis

**Pharmaceutical Drug Cost Increases** - FY00 variable health care costs, including pharmaceutical drugs, were budgeted based on the Department of Administration's Budget Guidelines issued in June 1998. The budgeted increases for FY99, FY00, and FY01 were: 2.3% over FY98 expenditures for FY99, 3.9% over FY99 budget for FY00, and 3.8% over FY00 budget for FY01.

The majority of the \$2,716,800 variable health care deficit is due to increased pharmaceutical drug costs. Per capita pharmaceutical drug costs for FY99 were 18.7% over FY98 expenditures, and for FY00 are projected to be 45.1% over FY99 expenditures. As Table 1 indicates, the

Department estimates a deficit of \$2,523,900 for pharmaceutical drugs in FY00. Table 2 compares budgeted amounts to actual costs for FY99 and projected costs in FY00 for pharmaceutical drugs.

*Table 2*  
**FY98, FY99, FY00 Budget vs Actual Expenditures**  
**Pharmaceutical Drugs**

	BUDGETED			ACTUAL			DIFFERENCE		
	Total	\$ Per Capita	% Change	Total	\$ Per Capita	% Change	Total	\$ Per Capita	% Change
FY98 (Base)	\$3,569,200	\$271.44		\$3,569,200	\$271.44				
FY99	\$4,186,400	\$277.69	2.3 %	\$4,504,500	\$322.14	18.7 %	(\$318,100)	\$44.45	16.4 %
FY00*	\$4,356,900	\$288.52	3.9 %	\$6,880,800	\$467.44	45.1 %	(\$2,523,900)	\$178.92	41.2 %

\* Projected FY00 costs

The Department is experiencing increased pharmaceutical costs, a trend being noticed nationally. Pharmaceutical costs are increasing significantly because "some new, successful drug therapies are less expensive overall than previous therapies, such as surgery" and "as successful new drug therapies are introduced, more patients may be treated, increasing the overall cost of health care" (Mehl, Santell, 2000). When new drugs are introduced to the market, they are usually patented for the first seven years, precluding the purchase of more economical generic versions. An example of this is the use of Rebetrone to treat Hepatitis C. Rebetrone (approved by the FDA on June 3, 1998) was not purchased by DOC at all in FY98. The expenditures for Rebetrone in FY99 were \$32,700 (52 kits) and it is expected that \$238,250 (393 kits) will be spent in FY00. This drug therapy alone impacts the per capita rate by over \$16.00 per inmate.

**Cash Balances** - The CGP revenue projection for FY00 is \$2,522,100 and the expenditure projection is \$2,487,500 resulting in an anticipated cash balance of \$34,600. This combined with the previous carry over cash balance amounts to a year-end balance of \$692,369. DOC is requesting the transfer of \$576,200 of that balance to address the health deficit due to increased pharmaceutical costs.

The WCW revenue projection for FY00 is \$8,970,700 and the expenditure projection is \$8,940,600 resulting in an anticipated cash balance of \$30,100. This combined with the previous carry over cash balance amounts to a year-end balance of \$918,433. DOC is requesting the transfer of \$642,800 of that balance to address the health deficit due to increased pharmaceutical costs.

Through the internal management of funds, the Department anticipates being able to absorb approximately \$800,000 of the variable health care costs deficit in FY00. The Department submitted a \$16.515 request in May 2000 to increase expenditure authority in the telephone revenue appropriation by \$700,000 to partially fund this deficit. This request is addressing the remainder of the projected deficit. It is anticipated that the Department will face a similar shortfall in FY01.

<sup>1</sup> Mehl, B., Santell, J., (2000, January) Projecting Future Drug Expenditures - 2000. American Journal Health-System Pharmacies. 57, 129-137

**Summary:**

The Department of Corrections (DOC) requests the transfer of \$1,219,000 cash from the PR-S appropriation under s. 20.410(1)(kk) to the general fund and an increase of \$1,219,000 in the appropriation under s. 20.410(1)(a) in FY00 to partially fund a projected health care deficit within the Department.

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

Prepared by: Colleen Godfriaux, Bureau of Budget and Facilities Management  
266-0300

Dawn Woeshnick, Bureau of Budget and Facilities Management  
266-0569

Department of Corrections  
Appropriation 20.410(1)(kk)  
Summary – Appropriation 135, Central Generating Plant

	FY00
<u>Opening Cash Balance</u>	\$ 657,769
<u>Plus Revenue</u>	
Revenue through 5/24/00	\$ 1,825,900
Additional Revenue Projections to 6/30/00	<u>\$ 696,200</u>
Total Revenue	\$ 2,522,100
<u>Less Expenditures</u>	
Expenditures through 5/24/00	\$ 2,034,800
Projected Expenditures	<u>\$ 452,700</u>
Total Expenditures	\$ 2,487,500
<u>Year End Cash Balance Projections</u>	\$ 692,369



Department of Corrections  
Appropriation 20.410(1)(kk)  
Summary – Appropriation 122, Waupun Central Warehouse

	FY00
<u>Opening Cash Balance</u>	\$ 888,333
<u>Plus Revenue</u>	
Revenue through 5/24/00	\$ 7,268,800
Additional Revenue Projections to 6/30/00	<u>\$ 1,701,900</u>
Total Revenue	\$ 8,970,700
<u>Less Expenditures</u>	
Expenditures through 5/24/00	\$ 7,063,500
Projected Expenditures	<u>\$ 1,877,100</u>
Total Expenditures	\$ 8,940,600
<u>Year End Cash Balance Projections</u>	\$ 918,433

**13.10 Meeting**  
**Wednesday, July 12, 2000**  
**Agenda Item XIX**

**Issue:** Corrections: Sex Offender Registry Web Site

**Recommendation:** Alternative 2

**Comments:** This option places funds that will otherwise lapse at the end of the year in JFC's supplemental appropriation since it is not known whether the federal grant will be approved for the sex offender registry web site.

**Prepared by:** Deb



## Legislative Fiscal Bureau

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

July 12, 2000

TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Corrections: Section 13.10 Request Relating to Sex Offender Registry Web Site --  
Agenda Item XIX

The Department of Corrections requests the transfer of \$331,100 GPR in 1999-00 from the pharmacological treatment of certain child sex offenders appropriation (s. 20.410(1)(bm)) to the general program operations appropriation (s. 20.410(1)(a)) in 2000-01 to fund the creation and implementation of a public access internet site for the Wisconsin sex offender registry.

### **BACKGROUND**

In 1999 Act 89, various modifications and additions to the statutes were made related to the registration of sex offenders and community notification. One of the additions was a requirement that Corrections establish an internet site for the Wisconsin sex offender registry. Under the act, no later than June 1, 2001, Corrections is required to provide access to information concerning persons registered in the sex offender registry by creating and maintaining an internet site and by any other means that the Department determines is appropriate. Act 89 specifies that the information provided through the internet site be organized in a manner that allows a person using the internet site to obtain the information that Corrections is required to provide to that person and other information that the Department determines is necessary to protect the public. Under current law, specific groups of individuals (law enforcement, victims, agencies and organizations other than law enforcement and the general public) must be provided with varying degrees of specific information from the registry. Act 89 further requires that Corrections keep the information provided on the internet site secure against unauthorized alteration.

Effective January 1, 1999, Corrections and the Parole Commission were authorized to require certain serious child sex offenders (first- and second-degree sexual assault of a child and

repeated acts of sexual assault of the same child under 13 years of age) to undergo pharmacological treatment (chemical castration) as a condition of probation and parole. Funding of \$676,800 GPR annually is provided for the program.

## ANALYSIS

Act 89 requires Corrections to develop and implement a web site for the sex offender registry by June 1, 2001, that provides varying levels of access to information based on the type of information individuals are authorized to receive. Act 89 provided 1.0 GPR information systems project leader specialist position, beginning January 1, 2001, to provide ongoing support for the registry web site, including web site security. In the Department's fiscal note to the bill which became Act 89, Corrections indicated that web site development would cost between \$200,000 and \$350,000 and would be funded through the internal reallocation of funds.

In developing the web site, Corrections has indicated that the site will: (a) be designed to be flexible to changing demands of the sex offender registry; (b) provide a balance between the need for community protection and the need to create an environment that enhances an offender's reintegration into the community; (c) be sensitive to victims and victims' families; (d) be based on constitutional and legal practices; (e) provide reliable information; and (f) enhance public protection. In order to have the sex offender registry web site operational by June 1, 2001, Corrections estimates that the site will take 52 weeks of total work time to develop and make operational (38 weeks to design and test, three weeks to produce the site and approximately 11 weeks of post-implementation support).

The Department's s. 13.10 request would fund the development of the site in 2000-01 by transferring funding from the chemical castration appropriation in 1999-00. The Department's request is divided as follows:

	<u>2000-01</u>
Web developer	\$156,600
Hardware	95,500
Software	42,900
Reference materials	2,500
Router maintenance (ongoing cost)	<u>33,600</u>
Total	\$331,100

According to Corrections, the cost of the web developer (\$75 per hour) is based on standard costs for these services. The Department indicates that more than one limited-term employe (LTE) will be used to complete the project. Further, hardware and software costs are based on procurement bulletins and an assessment by Corrections of appropriate technologies. Of the total

request, \$297,500 is for one-time costs and \$33,600 is for ongoing costs. The ongoing costs relate to charges from the Department of Administration for providing and maintaining: (a) the communications lines between the sex offender web site and the internet; and (b) a router, a device which directs internet traffic to and from the web site.

To fund the request, Corrections has requested that \$331,100 GPR in 1999-00 be transferred from the pharmacological treatment of certain child sex offenders appropriation (s. 20.410(1)(bm)) to the general program operations appropriation (s. 20.410(1)(a)) in 2000-01. Total funding in chemical castration appropriation is \$676,800 GPR annually. According to the Department, only \$23,300 GPR will be expended in 1999-00 for the chemical castration program because of the difficulty Corrections had in hiring appropriate medical staff. As a result, \$653,500 GPR in 1999-00 will lapse. The Department is seeking to use these funds in order support the costs of the sex offender web site development with available resources as indicated in its fiscal note associated with the bill which became Act 89.

The Committee should note that the Wisconsin Office of Justice Assistance recently submitted a request to the United States Department of Justice (USDOJ) to fund the development of a sex offender registry web site by June 1, 2001. The amount requested from the USDOJ grant (\$295,300) is \$2,200 less than the one-time costs contained in the request currently before the Committee (\$297,500). The federal grant would be for federal fiscal year 2000 which begins in October, 2000. Given that a grant to support the development costs of the sex offender registry web site is currently pending with the federal government, the current s. 13.10 request could be considered premature.

It can be assumed that the development of the sex offender registry web site project could be completed in less than one year since: (a) Corrections indicates that more than one LTE will be used to complete the project; (b) the federal grant funds, if provided, would not begin until October, 2000; and (c) the federal grant application indicates that the project will be completed by June, 2001. It is not known, however, whether the federal grant will be approved. Since the funds from the chemical castration appropriation in 1999-00 will lapse at the end of the fiscal year, but it is not known whether the federal grant will be approved, the Committee may wish to transfer an amount equal to the Department's request (\$331,100 GPR) from the chemical castration appropriation (s. 20.410(1)(bm)) in 1999-00 to the Committee's supplemental appropriation (s. 20.865(4)(a)) in 2000-01 for possible release to the Department if the federal grant application is not approved.

## **ALTERNATIVES**

1. Approve the Department's request to transfer \$331,100 GPR in 1999-00 from the pharmacological treatment of certain child sex offenders appropriation (s. 20.410(1)(bm)) to the general program operations appropriation (s. 20.410(1)(a)) in 2000-01, consisting of \$297,500 GPR in one-time costs and \$33,600 GPR in ongoing costs, to fund the creation and implementation of a public access internet site for the Wisconsin sex offender registry.

2. Transfer \$331,100 GPR from the pharmacological treatment of certain child sex offenders appropriation (s. 20.410(1)(bm)) in 1999-00 to the Committee's supplemental appropriation (s. 20.865(4)(a)) in 2000-01 for possible release to the Department of Corrections if the federal grant application for development of the sex offender registry web site is not approved.

3. Deny the request.

Prepared by: Jere Bauer

MO#			
BURKE	Y	N	A
DECKER	Y	N	A
JAUCH	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
DARLING	Y	N	A
GARD	Y	N	A
PORTER	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER	Y	N	A
RILEY	Y	N	A

AYE \_\_\_\_\_ NO \_\_\_\_\_ ABS \_\_\_\_\_

CORRECTIONS

Sex Offender Registry Web Site  
[Substitute Alternative]

Motion:

Move to transfer \$331,100 GPR in 1999-00 from the pharmacological treatment for certain child sex offenders appropriation (s. 20.410 (1)(bm)) to the Committee's appropriation (s. 20.865(4)(a)) for possible release to the Department of Corrections if federal grant funding for development of the sex offender registry web site is not approved. Specify that if federal funding is not approved, funding may be released by certification of the Co-chairs of the Committee upon receipt of a letter from the Department indicating that the grant was not approved.

\_\_\_\_\_

Note:

The motion would transfer \$331,100 GPR in 1999-00 from the chemical castration appropriation to the Committee's supplemental appropriation for possible release to the Department if federal grant funding for development of the sex offender registry web site is not approved. The motion specifies that funding may be released by certification of the Co-chairs of the Committee upon receipt of a letter from the Department indicating that the grant was not approved.

MO#	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
	BURKE	DECKER	JAUCH	MOORE	SHIBILSKI	PLACHE	COWLES	DARLING		GARD	PORTER	KAUFERT	ALBERS	DUFF	WARD	HUBER	RILEY		

AYE 16 NO 2 ABS 0

XIX. Department of Corrections – Jon Litscher, Secretary

The department requests the release of \$331,100 GPR from the appropriation under s. 20.410(1)(bm), pharmacological treatment of certain child sex offenders for fiscal year 1999-2000, to the appropriation under s. 20.410(1)(a), general program operations, for fiscal year 2000-01, to fund the creation and implementation of a public access Internet site for the Wisconsin Sex Offender Registry, pursuant to 1999 Wisconsin Act 89.

Governor's Recommendation

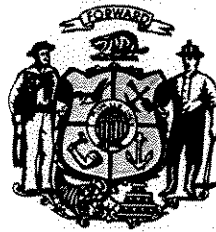
Modify the request. Transfer \$331,100 GPR from the appropriation under s. 20.410(1)(bm), pharmacological treatment of certain child sex offenders for fiscal year 1999-2000, to unallotted reserve, pending the outcome of the federal award.



STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION  
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON  
GOVERNOR

GEORGE LIGHTBOURN  
SECRETARY



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**Date:** July 10, 2000

**To:** Members, Joint Committee on Finance

**From:** George Lightbourn, Secretary  
Department of Administration *George Lightbourn*

**Subject:** Section 13.10 Request from the Department of Corrections for Sex Offender Registry Website Funding.

### Request

The department requests the release of \$331,100 GPR from the appropriation under s. 20.410(1)(bm), pharmacological treatment of certain child sex offenders for fiscal year 1999-2000, to the appropriation under s. 20.410(1)(a), general program operations, for fiscal year 2000-01, to fund the creation and implementation of a public access Internet site for the Wisconsin Sex Offender Registry, pursuant to 1999 Wisconsin Act 89.

### Background

1997 Wisconsin Act 284 created the Pharmacological Treatment of Certain Child Sex Offenders program. The Act appropriated funding and 1.0 FTE position for the program. Under s. 301.06(1q), DOC may require certain serious child sex offenders to undergo pharmacological treatment as a condition of probation or parole. Total funds available for fiscal year 1999-2000 are \$676,800 in the appropriation s. 20.410(1)(bm), pharmacological treatment of certain child sex offenders.

1999 Wisconsin Act 89 created s. 301.46(5n), which requires DOC to create and maintain a public access Internet site containing information from the Wisconsin Sex Offender Registry. The Act appropriated funding for additional staff resources for the DOC Sex Offender Registry program, but no additional funding for the Internet site development and implementation. The Act requires the DOC to implement the Internet site by June 1, 2001.

### Analysis

The request includes \$297,500 for one-time hardware and development costs, including \$140,900 for computer hardware and software and \$156,600 for project

developer hours. The request also includes \$33,600 to fund annual DOA maintenance fees associated with maintaining the router that provides 24 hour, 7 day a week access to the Sex Offender Registry web site.

The Wisconsin Office of Justice Assistance recently submitted a federal grant request for National Criminal History Improvement Program (NCHIP) funds. The Office of Justice Assistance seeks \$498,775 for development of the Sex Offender Registry for federal fiscal year 2000-01. The request includes \$295,275 to create a sex offender internet site for law enforcement, victims, family members of victims and the general public, including specific hardware, software and development costs. The grant request also includes \$15,000 for statewide training and information materials for law enforcement, victim advocacy agencies and the general public, and \$188,500 to convert the current victim registry access system to a web-based application, including necessary enhancements to ensure accuracy and increased efficiency of data entry and maintenance connected with victim access to the sex offender registry system.

The department has received NCHIP funds every year since federal fiscal year 1995. A portion of funds from federal fiscal years 1998 and 1999 were used for improvements to the Sex Offender Registry. The department anticipates receiving an award this year.

Rather than transferring the funds to the appropriation under s. 20.410(1)(a), general program operations, the funds could be placed in unallotted reserve pending outcome of the federal grant request. The department would be allowed to fund expenditures for the web-site on an emergency, as needed basis, with the understanding that federal funds will not be used to replace any funds spent out of unallotted reserve. In the event an NCHIP award is made, the Department of Administration requests that the amount remaining in unallotted reserve lapse back to the general fund.

### **Recommendation**

Modify the request. Transfer \$331,100 GPR from the appropriation under s. 20.410(1)(bm), pharmacological treatment of certain child sex offenders for fiscal year 1999-2000, to unallotted reserve, pending the outcome of the federal award.

Tommy G. Thompson  
Governor

Jon E. Litscher  
Secretary



State of Wisconsin  
Department of Corrections

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DATE: June 21, 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 cursive script that reads "Jon E. Litscher".

SUBJECT: §13.10 Request – Sex Offender Registry Web Site

**Request**

The Department of Corrections (DOC) requests the transfer of \$331,100 GPR from the FY00 appropriation under §20.410(1)(bm), pharmacological treatment of certain child sex offenders, to the FY01 appropriation under §20.410(1)(a), general program operations. This transfer would fund the creation and implementation of a public access Internet site for the Wisconsin Sex Offender Registry, pursuant to 1999 Wisconsin Act 89.

**Background**

The Pharmacological Treatment of Certain Child Sex Offenders program was created under 1997 Wisconsin Act 284, with an effective date of January 1, 1999. Under §301.06(1q), DOC may require certain serious child sex offenders to undergo pharmacological treatment as a condition of probation or parole. This Act also provided funding and 1.00 permanent FTE for the program. Total funds available for FY00 are \$676,800 GPR in the appropriation under §20.410(1)(bm).

1999 Wisconsin Act 89, enacted in April 2000, created §301.46(5n) which requires DOC to create and maintain a public access Internet site containing information from the Wisconsin Sex Offender Registry. The Act appropriated funds for additional staff resources for the DOC Sex Offender Registry program; however, additional resources were not appropriated for the Internet site development and implementation. The Act requires the department to implement the Internet site no later than June 1, 2001.

**Analysis**

Following passage of 1997 Wisconsin Act 284 in 1998, DOC immediately began planning for implementation of the Pharmacological Treatment of Certain Child Sex Offenders program. This involved establishing draft policies and procedures; promulgating emergency and permanent rules; establishing staff training; and creating and publishing a Request for Proposals (RFP) to secure a Medical/Psychiatric professional to conduct psychiatric evaluations. Response to the RFP proved to be inadequate for proper implementation of the program and further recruitment for this critical position was unsuccessful. Without a medical professional to conduct these evaluations, the program could not be implemented.

On March 13, 2000, the Department hired a .25 LTE Medical Consultant to fill this role for the program. The physician is currently reviewing cases to begin conducting the necessary medical/psychiatric evaluations to determine medical appropriateness for this treatment intervention. Since this is a medically driven decision process, DOC cannot project the number of cases or when a case may be determined appropriate for this treatment; however, case screenings and evaluations are underway. Funds are currently being expended for these evaluations. As Table 1 indicates, the Department projects expenditures of \$23,300 from the appropriation under §20.410(1)(bm) in FY00. If this request is approved, a balance of \$322,400 is projected to be available in the appropriation at the end of FY00. It should be noted that the Department is also requesting \$320,000 from the remaining balance in a §13.10 request for upgraded computer connections at DCC field offices.

*Table 1*  
**FY00 Fund Balance for Appropriation §20.410(1)(bm)**

Available funds	\$676,800
Anticipated expenditures	(\$23,300)
<b>§13.10 Request</b>	<b><u>(\$331,100)</u></b>
<b>Estimated 6/30/00 Balance</b>	<b>\$322,400</b>

Of the funding requested, \$297,500 would be for one-time hardware and development costs, including \$140,900 for computer hardware and software and \$156,600 for project developer hours. See Attachment 1 for more detail.

In addition, ongoing funds of \$33,600 are requested to fund annual Department of Administration maintenance fees associated with maintaining the router that provides 24 hour, 7 day a week access to the Sex Offender Registry web site. The ongoing costs associated with this request will be built into the department's base during the base reconciliation process, per DOA's 2001-03 biennial budget instructions.

## Summary

The Department of Corrections (DOC) requests the transfer of \$331,100 GPR from the FY00 appropriation under §20.410(1)(bm), pharmacological treatment of certain child sex offenders, to the FY01 appropriation under §20.410 (1)(a), general program operations. This transfer would fund the creation and implementation of a public access Internet site for the Wisconsin Sex Offender Registry, pursuant to 1999 Wisconsin Act 89.

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

Prepared by: Elaine Vélez, Bureau of Budget and Facilities Management  
267-7193

*Attachment 1*

**Sex Offender Registry Web Site Development  
Estimated Hardware, Software and Development Costs**

	<u>Items</u>	<u>Cost</u>
1.	SORP Public Web server	\$28,166
2.	Netfinity 8500R PIII Xeon 550Mhz, 512MB, 2048KB	\$51,282
3.	Development PC/Webmaster PC with Windows NT Workstation software, Microsoft Office software	\$5,000
4.	Server tape drive & tapes & backup Software (only if Web server backup not otherwise available)	\$4,500
5.	100MB high performance Cisco switch	\$4,000
6.	Flatbed scanner	\$500
7.	Windows NT Server license	\$600
8.	RDBMS – one of: a) DB2/UDB (\$600) b) SQL Server (\$600) c) Oracle 8i Standard (included with “.com suite”)	\$1,200
9.	Development software suite – one of: a) ColdFusion (\$500) b) Microsoft Visual Studio (\$900) c) Oracle “.com Suite” (\$1,400)	\$2,800
10.	Technical reference materials	\$2,500
11.	WebTrends analysis/reporting software	\$1,500
12.	Graphics software – PaintShop Pro, Adobe PhotoShop	\$900
13.	Address Broker w/ Geostan & Spacial+ Geographic Determinations	\$13,860
14.	Anti-virus software for Web server	\$300
15.	Audio/Visual Capabilities (ADA) RealServer (60 concurrent)	\$2,900
16.	Teleform Elite-Enterprise V-6; technical support; PDF forms module	\$12,833
17.	Performance Monitoring Tools	\$6,000
18.	Router	\$2,000
	<b>Subtotal hardware, software &amp; reference</b>	<b>\$140,841</b>

	<u>Project Developer Hours</u>	<u>Hrs</u>
1.	Requirements Definition	240
2.	Develop expertise in development platform	120
3.	Design & Code – Test/Debug	1140
4.	Production implementation	160
5.	Post implementation support	428
	<b>Subtotal hours</b>	<b>2,088</b>
	<b>@ \$75/hour</b>	<b>\$156,600</b>

<b>Total Estimated Costs</b>	<b>\$297,441</b>
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**13.10 Meeting**  
**Wednesday, July 12, 2000**  
**Agenda Item XX**

**Issue:** Corrections: Release and Transfer of Funds for Community Corrections Purchase of Services

**Recommendation:** Alternatives A2 and B1.

**Comments:**

**Alternative A2.** Modifies DOC's request to honor state's previously made commitment to Operation Fresh Start programs which provide educational and vocational training to at-risk youth who learn to build affordable homes for low-income households. Under this alternative, only 8 of the 19 transitional living beds requested will be funded.

*Alternative A1 is okay too.*

**Alternative B1.** Approves DOC's request to provide for additional halfway house beds. While it may be questioned whether the need for halfway house beds constitutes an emergency under 13.10, DOC believes it must act expeditiously to secure the beds because it is often difficult to find new halfway house beds due to problems with siting such facilities.

**Prepared by :** Deb



## Legislative Fiscal Bureau

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

July 12, 2000

TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Corrections: Section 13.10 Request for Release and Transfer of Funds for Community Corrections Purchase of Services -- Agenda Item XX

The Department of Corrections requests the release of \$1,100,000 GPR in 2000-01 from the Joint Committee on Finance's reserved supplemental appropriation under s. 20.865(4)(a) to supplement the Department's purchased services for offenders appropriation (s. 20.410(1)(d)). Corrections also requests that \$1,100,000 GPR be transferred in 2000-01 from the services for community corrections appropriation (s. 20.410(1)(b)) to the purchased services appropriation to serve as a required match. Finally, Corrections requests an additional transfer of \$162,000 GPR in 2000-01 from the services for community corrections appropriation to the purchased services appropriation to fund additional halfway house beds and contract bed cost increases.

### REQUEST

The Division of Community Corrections includes both probation and parole supervision and the intensive sanctions program. In 1999 Act 9 (the 1999-01 biennial budget), purchase of service funding associated with the intensive sanctions program was reduced by \$2,190,000 GPR annually based on fewer offenders being placed in the program. In order to maintain the level of purchase of services funding for community corrections, the Legislature, in Act 9, placed \$1.1 million GPR annually in the Joint Committee on Finance's supplemental appropriation for release to Corrections if equal matching funds could be identified.

At the December, 1999, s. 13.10 meeting, the Joint Committee on Finance approved the release of \$1,100,000 GPR to the purchased services appropriation for 1999-00, along with the transfer of \$750,000 GPR from the services for community corrections 2000-01 appropriation to



serve as the required match. The additional \$350,000 in required match monies came from federal Byrne anti-drug grants from the Office of Justice Assistance (OJA).

The current request for release of the reserved funds from the Committee's appropriation, as well as the source of the corresponding matching funds, is detailed in Table 1.

**TABLE 1**  
**Request for Release of Reserved Funds and Required Match**  
**2000-01**

<u>Proposed Expenditure</u>	<u>Total Funding</u>	<u>Release from JFC</u>	<u>Match</u>	<u>Match Source</u>
Halfway House and Transitional Living Beds	\$1,458,000	\$729,000	\$729,000	s. 20.410(1)(b) transfer
Statewide Urinalysis Testing	228,000	114,000	114,000	s. 20.410(1)(b) transfer
Alcohol and Other Drug Abuse Programming	259,000	129,500	129,500	s. 20.410(1)(b) transfer
Additional Transitional Living Beds	<u>255,000</u>	<u>127,500</u>	<u>127,500</u>	s. 20.410(1)(b) transfer
<b>Total</b>	<b>\$2,200,000</b>	<b>\$1,100,000</b>	<b>\$1,100,000</b>	

Table 2 details Corrections' request for the transfer of additional funds to the purchased services appropriation.

**TABLE 2**  
**Additional Transfer Request**  
**2000-01**

<u>Proposed Expenditure</u>	
Additional Halfway House Beds	\$175,000
Contract Bed Cost Increases	<u>47,000</u>
Subtotal	\$222,000
Internal Transfer	-\$60,000
Amount Requested to be Transferred from s. 20.410(1)(b)	\$162,000

## **BACKGROUND**

Purchase of services funding supports assessment and treatment services, employment services, day reporting centers, emergency housing, sex offender treatment, polygraph tests, residential living programs, urinalysis testing and miscellaneous offender services in adult institutions, correctional centers, probation and parole, and intensive sanctions. Residential living programs include halfway houses and transitional living programs. Halfway houses are community-based residential facilities that provide a variety of programming where probationers or parolees may be required to reside as a condition of their supervision. Transitional living programs generally provide short-term (up to 90 days) living arrangements for newly released, employed parolees or probationers that provide no specific treatment for offenders, but which are staffed by providers who may make unannounced visits to monitor behavior. Transitional living beds are used until more permanent housing may be secured.

Base level funding for purchase of services in 1998-99 was \$17,471,500 GPR. Under Act 9, total purchase of service funding for Corrections was \$14,962,900 GPR in 1999-00 and \$15,157,800 GPR in 2000-01. In 1998-99, probation and parole and the intensive sanctions program had a budget of \$15,869,600 GPR for purchase of services. This amount decreased to \$13,021,500 GPR in 1999-00 and \$13,131,400 GPR in 2000-01.

## **ANALYSIS**

In reviewing the Department's request, both the availability of the match funding and the purposes for which funding is being requested need to be examined.

### **Availability of Match Funding and Additional Transfer of Funding**

The Department's proposed match is derived from \$1,100,000 GPR from the 2000-01 services for community corrections appropriation. These funds are available for transfer as a result of a delayed opening of the probation and parole (P&P) hold/alcohol and other drug abuse (AODA) correctional facility in Milwaukee from January, 2001 to August, 2001. Corrections also requests that an additional \$162,000 GPR appropriated for the P&P hold/AODA facility be transferred in 2000-01 from the services for community corrections appropriation to the purchased services appropriation to provide additional halfway house beds and to fund contract bed cost increases.

In 1999 Act 9, the P&P hold/AODA facility was funded at \$389,000 GPR and 13.0 GPR positions in 1999-00 and \$13,592,700 GPR and 270.36 GPR positions in 2000-01. According to the Department's program statement for the facility, the P&P Hold/AODA facility will house offenders who need to be detained because they have violated conditions of their supervision, offenders who are awaiting transport to begin serving a sentenced prison term and offenders receiving AODA programming. Initially, the facility was scheduled to open in January, 2001. However, as the result

of the Building Commission's decision to add an additional two floors to the facility, the opening of the entire facility has been delayed until August, 2001.

In its December, 1999, s. 13.10 action, the Committee transferred \$750,000 GPR from the 2000-01 P&P Hold/AODA facility appropriation to the 1999-00 purchased services appropriation to serve as match for the release of 1999-00 purchase of service funds, leaving \$12,842,700 GPR in 2000-01 for the facility. Given that the opening of the facility is delayed, it appears that sufficient funds in 2000-01 would be available for transfer as requested.

### **Request for Release of Reserved Funds and Required Match**

*Continued Funding for Transitional Living and Halfway House Beds.* The Division of Community Corrections uses halfway house and transitional living beds operated by private providers for offenders who need additional programming, structure or supervision before returning to the community. As of May, 2000, Corrections had contracts for approximately 900 halfway house and transitional living beds. According to the Department, 73% of Community Corrections' purchase of service funds in 1999-00 are used for these beds and, as proposed by the Department, this would increase to 75% in 2000-01. As a result of the purchase of services reductions made in Act 9, Corrections estimated that it would have needed to discontinue use of 131 beds during 1999-00. In addition, one of the Community Corrections regions had already discontinued use of eight transitional living beds. The Committee's December, 1999, s.13.10 to release the 1999-00 purchase of service funds and approve the transfer of match moneys allowed the Department to continue to utilize these beds for the remainder of 1999-00. The current request to release \$729,000 GPR in 2000-01 from the Committee's reserved appropriation, to be matched with \$729,000 GPR transferred from the P&P Hold/AODA facility, for a total of \$1,458,000 GPR, would provide continued funding for the 139 beds in 2000-01. Under the request, this funding would be ongoing. This would result in the retention of base level resources for halfway houses and transitional living beds.

Corrections is also requesting funding for 19 additional transitional living beds. The request would restore eight transitional living beds for Region 1 (Dane County) and 11 for Region 7 (Waukesha County) that had been eliminated due to previous budget cutbacks. Funding for these transitional living beds would come from \$127,500 GPR released from the Committee's reserved appropriation along with \$127,500 GPR in match transferred from the P&P Hold/AODA facility, for a total of \$255,000 GPR.

It should be noted that in its December, 1999, s. 13.10 action, the Committee provided \$255,000 (\$150,000 GPR, matched with \$105,000 PR from a federal Byrne anti-drug grant through OJA), to enable Corrections to meet its Calendar Year (CY) 2000 funding commitment to the Department of Administration (DOA) for its multi-agency Operation Fresh Start Replication Program. The DOA program funds ten state-sponsored Operation Fresh Start programs throughout the state, which provide educational and vocational training to at-risk young people who learn to build affordable homes for low-income households. The grants are provided annually on a calendar

year basis. In a December, 1998, letter to DOA, Corrections committed to providing \$300,000 a year for two years for the program, "contingent on the final biennial budget allocations". According to DOA, Corrections' commitment of \$300,000 in 2000 was reduced to \$255,000 due to start-up delays. DOA does, however, anticipate that Corrections will make \$300,000 available in CY 2001 for 30 Operation Fresh Start slots for youthful community corrections offenders. Because CY 2001 encompasses two state fiscal years, \$150,000 would be needed in 2000-01 to meet Corrections' commitment to DOA.

Corrections has indicated that it has not budgeted for the Operation Fresh Start slots for the second half of 2000-01. The OJA grant expires on July 31, 2000, and, according to both Corrections and OJA, is not available for 2000-01. Since federal funding does not appear to be available in 2000-01, it could be argued that the released and match funding should first be used to honor previously-made commitments before contracting for additional beds. Therefore, the Committee could choose to provide \$150,000 for the Operation Fresh Start program, which would leave \$105,000 for additional transitional living beds. This would provide funding for approximately eight of the 19 transitional living beds requested.

*Continued Funding for Statewide Urinalysis Testing.* Corrections also requests that \$114,000 GPR in 2000-01 be released from the Committee's appropriation and matched by \$114,000 GPR transferred from the P&P Hold/AODA facility, for a total of \$228,000 GPR, to fully fund urinalysis testing costs. Corrections indicates that urinalysis testing will total \$517,200 in 2000-01. As a result, this request represents 44% of the Department's proposed urinalysis testing budget for 2000-01. The Department states that: "Full funding of urinalysis tests is important because DOC must meet federal drug testing standards and reporting requirements in order to maintain eligibility for the Violent Offender Incarceration and Truth-in-Sentencing Incentive grants (VOITIS). Reporting requirements include timely data on the amount, type and outcome of the drug tests conducted. Urinalysis tests are also important so that offenders are accountable to terms of probation or parole."

In its December, 1999, s. 13.10 action, the Committee approved \$228,000 GPR in 1999-00 for urinalysis testing. This request would continue the same level of funding in 2000-01, with the funding built into the adjusted base to provide for ongoing funding.

*Continued Funding for Alcohol and Other Drug Abuse Programming.* The Department seeks the release of \$129,500 GPR in 2000-01 to be matched with \$129,500 GPR transferred from the P&P Hold/AODA facility, for a total of \$259,000 GPR, for alcohol and other drug abuse (AODA) programming for community corrections offenders in Milwaukee. In its December, 1999, s. 13.10 action, the Committee approved \$259,000 for AODA programming. This request, if approved, would provide ongoing funding for the same level of AODA services authorized in 1999-00, namely: (a) 400 AODA assessments; (b) 600 outpatient group slots; (c) 12 female day treatment slots; and (d) two male AODA halfway house beds.

It should be noted that \$245,000 of the 1999-00 funding was provided through a federal Byrne anti-drug grant from OJA rather than general purpose revenues. The OJA grant expires on June 30, 2000, and, according to both Corrections and OJA, is not available for 2000-01.

### **Additional Transfer Request for Residential Living Programs**

In addition to the request associated with release from the Committee's reserved fund, Corrections also requests that \$162,000 GPR in 2000-01 be transferred from the services for community correction appropriation to the purchased services appropriation for residential living programs. While the Department requests the transfer of \$162,000 GPR for additional halfway house beds, it also indicates that \$60,000 GPR in 2000-01 already in the purchased services appropriation but associated with the Milwaukee P&P Hold/AODA facility will be reallocated as follows: (a) \$13,000 GPR to further support the cost of the additional halfway house beds; and (b) \$47,000 GPR to support transitional living bed contract cost increases. Since the \$60,000 GPR is already in the purchased services appropriation, no action is required by the Committee in order for Corrections to reallocate these funds.

The Department's request for the transfer of \$162,000 would provide partial support for 12 additional halfway house beds operated by the Lac Courte Oreilles in Hayward. The total cost of the 12 beds would be \$175,000 (\$13,000 in funds identified for reallocation within the appropriation and \$162,000 GPR in 2000-01 transferred from appropriation s. 20.410(1)(b)). According to the Department, the additional beds are being requested under s. 13.10 at this time because it is difficult for the Department to find new halfway house beds, due to problems with siting such facilities. One of the criteria for action under s. 13.10 is that an unforeseen emergency exists for which a transfer or supplement is necessary. While it may be questioned whether the request constitutes an emergency under s. 13.10, Corrections believes it must act expeditiously to secure beds when they do become available, as they have with the Lac Courte Oreilles halfway house.

## **ALTERNATIVES**

### **A. Release And Transfer Of Matching Funds For Purchases Of Services**

1. Approve the Department of Corrections' request to: (a) release \$1,100,000 GPR in 2000-01 from the Joint Committee on Finance's supplemental appropriation under s. 20.865(4)(a) to supplement the Department's purchased services for offenders appropriation (s. 20.410(1)(d)); and (b) transfer \$1,100,000 GPR from the 2000-01 services for community corrections appropriation (s. 20.410(1)(b)) associated with the probation and parole hold/alcohol and other drug abuse correctional facility to the purchased services appropriation (s. 20.410(1)(d)) in 2000-01 to serve as the required match for release of the funds. [Under this alternative, purchase of service funding in 2000-01 would be provided as follows: (a) \$1,458,000 GPR to continue funding 139 halfway house and transitional living beds; (b) \$255,000 GPR for the reestablishment of 11 and the

continuation of eight transitional living beds; (c) \$228,000 GPR to continue funding for statewide urinalysis testing; and (d) \$259,000 GPR to continue alcohol and other drug abuse treatment for Milwaukee community corrections offenders.]

2. Modify the Department's request by: (a) providing \$150,000 GPR for Operation Fresh Start in 2000-01; and (b) providing \$105,000 GPR in 2000-01, rather than \$255,000 GPR, for eight, rather than 19, additional transitional living beds.

3. Deny the Department's request.

**B. Transfer of Additional Funds**

1. Approve the Department's request to transfer an additional \$162,000 GPR from the 2000-01 services for community corrections appropriation (s. 20.410(1)(b)) associated with the probation and parole hold/alcohol and other drug abuse correctional facility to the 2000-01 purchased services appropriation (s. 20.410(1)(d)) to provide for additional halfway house beds.

2. Deny the Department's request.

Prepared by: Debbie Salm

CORRECTIONS

Community Correction Purchase of Services  
[Agenda Item XX -- Substitute Alternative for Alternatives A1 and B1]

Motion:

Move to: (a) release \$1,100,000 GPR in 2000-01 from the Joint Committee on Finance's supplemental appropriation under s. 20.865(4)(a) reserved for community corrections funding to supplement the Department's purchased services for offenders appropriation (s. 20.410(1)(d)); (b) transfer \$1,100,000 GPR from the 2000-01 services for community corrections appropriation (s. 20.410(1)(b)) associated with the probation and parole hold/alcohol and other drug abuse correctional facility to the purchased services appropriation (s. 20.410(1)(d)) in 2000-01 to serve as the required match for release of the funds; (c) transfer \$150,000 GPR in 1999-00 from the pharmacological treatment of certain child sex offenders appropriation (s. 20.410(1)(bm)) to the 2000-01 purchased services for offenders appropriation (s. 20.410 (1)(d)) for Operation Fresh Start; and (d) transfer \$162,000 GPR from the 2000-01 services for community corrections appropriation (s. 20.410(1)(b)) associated with the probation and parole hold/alcohol and other drug abuse facility to the 2000-01 purchased services appropriation (s. 20.410(1)(d)) to provide additional halfway house beds. In addition, transfer \$510,200 GPR to the purchased services for offenders appropriation (s. 20.410(1)(d)) in 2000-01 for alcohol and other drug abuse programming for community corrections offenders as follows: (a) \$68,000 GPR from the Committee's appropriation (s. 20.865(4)(a)) reserved for inmate work centers in 1999-00; (b) \$172,400 GPR in 1999-00 from the pharmacological treatment of certain child sex offenders (s. 20.410(1)(bm)); and (c) \$269,800 GPR from the Committee's appropriation (s. 20.865(4)(a)) reserved for prison contract beds in 1999-00.

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Note:

1999 Act 9 placed \$1.1 million GPR annually in the Joint Committee on Finance's supplemental appropriation reserved for purchase of services for community corrections offenders for release to the Department of Corrections if equal matching funds could be identified. This motion would approve the Department's request related to the release of the reserved funds and the transfer of matching funds in 2000-01. The motion would also approve the Department's request for the transfer of \$162,000 GPR from the services for community corrections appropriation to the purchased services appropriation for additional halfway house beds. In addition, the motion would transfer \$150,000 GPR from the 1999-00 pharmacological treatment of certain sex offenders

(chemical castration) appropriation, which would otherwise lapse to the general fund at the end of 1999-00, to the 2000-01 purchased services appropriation. Further, the motion would provide \$510,200 GPR in 2000-01 for AODA treatment services by transferring funds from the chemical castration appropriation (\$172,400 GPR in 1999-00), and the Committee's appropriation (\$68,000 reserved for inmate work centers in 1999-00 and \$269,800 GPR for prison contract beds in 1999-00). Under the motion, purchase of service funding in 2000-01 would be provided as follows: (a) \$1,458,000 GPR to continue funding 139 halfway house and transitional living beds; (b) \$255,000 GPR for the reestablishment of 11 and the continuation of eight transitional living beds; (c) \$228,000 GPR to continue funding for statewide urinalysis testing; (d) \$259,000 GPR to continue alcohol and other drug abuse treatment for Milwaukee community corrections offenders; (e) \$162,000 GPR for additional halfway house beds; (f) \$150,000 GPR for Operation Fresh Start; and (g) \$510,200 GPR for AODA treatment for community corrections offenders.

MO#			
BURKE	Y	N	A
DECKER	Y	N	A
JAUCH	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
DARLING	Y	N	A
GARD	Y	N	A
PORTER	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER	Y	N	A
RILEY	Y	N	A

AYE 16 NO 0 ABS 0



**Swiderski, Julie**

**From:** Buchanan, Rob  
**Sent:** Wednesday, July 12, 2000 9:14 AM  
**To:** Sen. Moore  
**Subject:** Moore motion on Agenda Item XX

*(A hard copy will be sent to your offices shortly.)*

MEMORANDUM

**TO:** Members of the Joint Committee on Finance  
**FROM:** Senator Gwendolynne S. Moore  
**DATE:** July 12, 2000  
**SUBJECT:** July 12, 2000 meeting of Joint Finance Committee  
**AGENDA ITEM XX--Corrections Request for Release and Transfer of Funds for Community Corrections Purchase of Services**

The Department of Corrections has made a variety of requests for the transfer of funds to support the following programs at 1999-2000 funding levels (including modifications approved by JFC in December 1999):

1. Transitional Living and Halfway House Beds
2. Statewide Urinalysis Testing
3. Alcohol and Other Drug Abuse Programming for community corrections offenders in Milwaukee County

DOC is also requesting a transfer of funds to provide additional halfway house beds and to support transitional living bed contract cost increases.

**I will be introducing a motion to Agenda Item XX that accomplishes the following:**

- 1.) Grants DOC's 13.10 request (Alternative A1 & B1) which would include 19 additional transitional living beds for Dane and Waukesha Counties.
- 2.) Funds DOC's \$150,000 commitment to the Operation Fresh Start Program using unspent funds from the 1999-00 chemical castration program appropriation. This would not affect monies for the chemical castration program in 2000-01 or the program's base budget.
- 3.) Transfers \$510,000 GPR from various unspent monies in 1999-00 DOC appropriations to DOC's purchase of services for offenders appropriation to be used for statewide AODA programming for community corrections offenders.

**TRANSITIONAL LIVING BEDS**

DOC is requesting funding for 19 additional transitional living beds that have been eliminated due to previous budget cutbacks. The request would restore eight transitional living beds in Dane County and eleven beds in Waukesha County.

While DOC requests funding for an additional 19 transitional living beds, the Fiscal Bureau analysis points out that DOC has failed to budget funds for the Operation Fresh Start program in 2000-01. The Department committed funds for this program in a

December 1998 letter to DOA. In order to fulfill its funding commitment to Operation Fresh Start, DOC would have to provide \$150,000 in 2000-01.

DOC's failure to budget funds for Operation Fresh Start is addressed in Alternative A2 of the Fiscal Bureau paper. The alternative would modify DOC's request by reducing funds for additional transitional living beds by \$150,000 and allocating the funds to Operation Fresh Start. Alternative A2 would thus reduce the number of additional transitional living beds from 19 to 8.

In subsequent conversations with the Fiscal Bureau, we have identified an alternative source of DOC monies that could be provided to fund Operation Fresh Start. The Fiscal Bureau paper on Agenda Item XIX (page 3) notes that \$653,500 GPR for the chemical castration program was not spent in 1999-00. DOC is proposing to use \$331,100 of this money for the development of a sex offender registry website. However, \$322,400 is slated to lapse into the general fund.

Therefore, I have requested that the Fiscal Bureau draft a motion relating to Agenda Item XX. A portion of the motion would grant DOC's 13.10 request (Alternative A1 & B1) and fund DOC's \$150,000 commitment to the Operation Fresh Start Program using unspent funds from the 1999-00 chemical castration program appropriation.

#### **AODA PROGRAMMING FOR COMMUNITY CORRECTIONS OFFENDERS**

The Department has requested funding transfers that will provide \$259,000 GPR for AODA programming for community corrections offenders in Milwaukee County. In its December 1999 13.10 meeting, the Joint Finance Committee approved \$259,000 for AODA programming in 1999-2000. By approving the Department's current request, AODA services would continue in 2000-2001 without a reduction in services.

It should be noted, however, that AODA programming for community corrections is drastically underfunded. According to the Fiscal Bureau, the Department of Corrections has \$593,700 GPR budgeted for community corrections AODA programming this fiscal year. This amount includes the monies DOC is requesting today. Nevertheless, the figure is significantly lower than the \$1.6 million that the Department spent in fiscal year 1998-99 for community corrections AODA programming.

The relatively low allocation for community corrections AODA programming starkly contrasts with the need for AODA treatment. Currently 64,000 individuals are on probation or parole--many of which have substance abuse problems. According to the Criminal Penalties Study Committee's August 1999 report, the Department of Corrections and the State Public Defender's office estimate that approximately 67% of offenders convicted for drug crimes are themselves addicted to drugs. Clearly, there is a demonstrated need for increased resources for AODA treatment of offenders. Substance abuse issues have been consistently linked to offenders committing new crimes.

After discussions with the Fiscal Bureau, the following sources of DOC dollars were identified that could be transferred for the use of community corrections AODA services during 2000-01:

- \$68,000 GPR in 1999-00 from the Committee's appropriation reserved for inmate work centers (s. 20.865(4)(a)).  
*Due to a delay in the opening of the Department's inmate work centers until fiscal year 2000-01, the money budgeted for these work centers in 1999-00 is unnecessary.*
- \$172,400 GPR in 1999-00 for pharmacological treatment of certain child sex offenders (s. 20.410(1)(bm)).  
*As noted above, the chemical castration program did not spend these dollars; therefore, \$322,400 GPR will lapse to the general fund. Assuming \$150,000 of these dollars will be used to fund DOC's commitment to Operation Fresh Start, a balance of \$172,400 GPR would remain.*
- \$269,800 GPR in 1999-00 from the reserved portion of the Committee's appropriation for prison contract beds (s. 20.865(4)(a)).  
*Assuming the Joint Finance Committee approves the requests currently before it, \$269,800 GPR would remain for prison contract beds in 1999-00. Because fiscal year 1999-2000 has already ended, this money is not needed for contract beds.*

A total of \$510,200 GPR from the above appropriations is available for transfer to DOC's purchase of services for offenders appropriation (s. 20.410(1)(d)) to fund statewide AODA programming for community corrections offenders.

## CONCLUSION

As stated above, I have requested that the Fiscal Bureau draft a motion that incorporates the proposals set forth in this memo. I am asking for your support in adopting this motion. If you have any questions, please contact me at 608-266-5810.

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