

Vote Record

Senate - Committee on Human Services and Aging

Date: 3/4/00
 Moved by: Roessler Seconded by: Moore

AB: _____ SB: _____
 Clearinghouse Rule: _____
 AJR: _____ SJR: _____ Appointment: _____
 AR: _____ SR: _____ Other: _____

A/S Amdt: _____
 A/S Amdt: _____ to A/S Amdt: _____
 A/S Sub Amdt: 50370/2 to SB 316
 A/S Amdt: _____ to A/S Sub Amdt: _____
 A/S Amdt: _____ to A/S Amdt: _____ to A/S Sub Amdt: _____

Be recommended for:

- Passage
- Introduction
- Adoption
- Rejection

- Indefinite Postponement
- Tabling
- Concurrence
- Nonconcurrence
- Confirmation

Committee Member

Sen. Judy Robson, Chair
 Sen. Gwendolynne Moore
 Sen. Robert Wirch
 Sen. Carol Roessler
 Sen. Peggy Rosenzweig

	Aye	No	Absent	Not Voting
Sen. Judy Robson, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Gwendolynne Moore	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Robert Wirch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Carol Roessler	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Peggy Rosenzweig	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals: _____

Motion Carried

Motion Failed

Vote Record

Senate - Committee on Human Services and Aging

Date: 3/4/00
Moved by: Rosenzweig Seconded by: Moose
Clearinghouse Rule: _____
Appointment: _____
Other: _____

AB: _____ SB: 316
AJR: _____ SJR: _____
AR: _____ SR: _____

A/S Amdt: _____ to A/S Amdt: _____
A/S Sub Amdt: _____ to A/S Sub Amdt: _____
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<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
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Totals: _____

Passage as amended

Motion Carried

Motion Failed

**TESTIMONY ON SB 316
W-2 COMMUNITY REINVESTMENT**

**Senate Human Services and Aging Committee
Thursday, February 10, 2000
10:30 a.m.
Room 201 SE
State Capitol**

Chairperson:

Senator Judy Robson

Committee Members:

Senator Gwendolynne Moore
Senator Carol Roessler
Senator Peggy Rosenzweig
Senator Robert Wirch

Good morning, Chairperson Robson and committee members. I am Alice Wilkins from the Division of Economic Support, Department of Workforce Development. And with me is Sherwood Zink of the department's legal counsel.

Under current law, DWD may award a contract to any person to administer W-2. These two year contracts include funding for subsidized employment benefits, W-2 office costs and other program expenses. Any funding not spent by a W-2 agency at the end of the contract period is distributed according to a formula developed by DWD. Under the formula, a portion of excess funding is designated as community reinvestment funds and distributed to the W-2 agency for reinvestment in community (CR) programs that meet certain requirements under the federal TANF block grant program.

This bill expands the biennial budget act provision to require that the criteria established by DWD apply to CR funds available under W-2 contracts that end Dec. 31, 1999. The bill also requires that the funds be used for transportation assistance programs, education and job training programs, housing assistance programs, alcohol and other drug abuse assessment and treatment programs, domestic violence services and legal advocacy programs.

This legislation will increase the administrative burden for DWD and the W-2 agencies in administering the 1997-1999 and 2000-2001 contracts.

The agencies have already been directed by DWD as to how to appropriately use CR funds. In the most recently submitted CR plans there is evidence the W-2 Community Steering Committees, Children's Services Networks and the communities at large have been involved in planning for the use of the funds. Also, DWD legal counsel advises that to the extent this bill would change the terms under which CR funds are paid under the 1997-1999 contracts, it is most likely in violation of Article 1, Section 12 of the Wisconsin Constitution, which prohibits the passage of any law impairing the obligation of contracts. If this bill would prevent the payment of funds that are already payable under the 1997-1999 contract, it would be no different than a bill which would retroactively divest public pension plan participants of rights they have already earned, and the Wisconsin Supreme Court has ruled that such a bill violates this provision of the state constitution. (*Benson v. Gates*, 188, Wis. 2d 389, 404-5 (Ct. App. 1994), citing *State ex rel O'Neil v. Blued*, 188 Wis.442, 446 (1925).

Burden of Additional Requirements on Milwaukee W-2 Agencies SB 316 would require private W-2 agencies to:

1. actively solicit public participation in planning for the use of Community Reinvestment funds (see section 9 of AB 316 which creates section 49.175(5)(b));and

2. submit a report to the Joint Committee on Finance specifying how the Community Reinvestment funds were expended and how the expenditures met the criteria established by the Department (see section 10 of SB 316 which creates section 49.179(6)).

It is our understanding there are discussions between Milwaukee County and the W-2 agencies on the use of their Community Reinvestment funds. This significant portion will be at least the amount of the Community Reinvestment funds for the Milwaukee W-2 agencies under the 2000-2001 W-2 Contracts, and may include Community Reinvestment funds under the 1997-1999 W-2 Contracts. The Milwaukee W-2 agencies currently are negotiating with Milwaukee County to finalize these arrangements.

The two requirements for private W-2 agencies in SB 316 (listed above) would be a burden for the Milwaukee W-2 agencies for the significant portion of the Community Reinvestment funds that go to the County. It would be a burden and not effective for the Milwaukee W-2 agencies to be responsible under SB 316 for planning public input and reporting for County managed Community Reinvestment funds.

Effective Date of SB 316 Provisions and Affected W-2 Contracts

After discussion with Howard Bernstein, the following appear to be the effective dates in SB 316

1. Day after publication – for 1997-1999 W-2 Contracts;and
2. January 1, 2001 – for 2000-2001 W-2 Contracts and also for new section 49.179(2) which would require the Department to distribute CR funds annually to W-2 agencies.

It appears that the requirements of SB 316 would not apply to the 2000-2001 W-2 Contracts for the period of time between January 1 – December 31, 2000. SB 316 would apply to the 2000-2001 W-2 Contracts effective January 1, 2001.

SB 316 would apply to the 1997-1999 W-2 Contracts, but Howard Bernstein has noted possible constitutional problems with SB 316 to the extent that it applies to the 1997-1999 W-2 Contracts. The constitutional problems result from legal limits on retroactively modifying contracts for a contract time period that has already concluded. (The 1997-1999 W-2 Contracts period ended December 31, 1999.)

Laws in Other States

We are unaware of similar laws in other states.

SB 316 would apply only to the Community Reinvestment under the 2000-2001 W-2 Contracts, and would not apply until January 1, 2001, pending resolution of

potential constitutional challenges for applicability to the 1997-1999 W-2 Contracts.

It appears that all of the Community Reinvestment funds under the 2000-2001 W-2 Contracts for the Milwaukee County W-2 agencies will go to the County. It would not be effective to create additional requirements for the Milwaukee W-2 agencies for Community Reinvestment funds expended by the County, because these funds would not be directly controlled by the W-2 agencies.

Department's Position: The department does not support this legislation in any form.



MILWAUKEE COUNTY
HUMAN SERVICES
DEPARTMENT

Adult Services
Financial Assistance

Mental Health Division
Youth Services

235 West Galena St.

Milwaukee, WI 53212 414-289-6818

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Ralph E. Hollmon
Director

TESTIMONY IN SUPPORT OF 1999 SENATE BILL 316
Before the Senate Committee on Human Services and Aging
February 10, 2000

Madam Chair and Members of the Committee:

I am Ralph Hollmon, Director of the Milwaukee County Department of Human Services. I regret that I am unable to attend today's hearing, but I am pleased to offer these comments supporting Senate Bill 316 regarding W-2 community reinvestment.

Milwaukee County Executive F. Thomas Ament began discussions with the five W-2 agencies in Milwaukee County in October of 1998 to assure county input in the 1999 Community Reinvestment plans. He was very encouraged by the **unanimous vote** of the Joint Finance Committee action in the 1999-2001 budget to earmark Community Reinvestment dollars to the counties to assure local public input and accountability.

Although the Governor vetoed that measure, the County Executive worked diligently to develop a cooperative agreement with the W-2 agencies which gives Milwaukee County this input on how these funds are invested in our community.

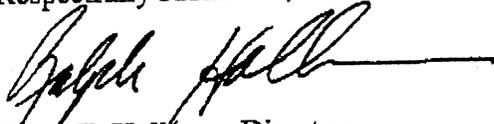
Testimony in Support of 1999 Senate Bill 316

Page 2

Milwaukee County supports this bill in the spirit of assuring public accountability. However, we are hopeful that the allowable TANF activities previously approved by the State, as submitted by the counties, are maintained within the DWD criteria and legislative review intended by this bill.

Your support of the W-2 and Milwaukee County's agreement for the use of these funds will serve individuals who are TANF eligible while also providing public input from the Milwaukee County W-2 Task Force of the County Board and the public accountability intended by this bill.

Respectfully submitted,



Ralph E. Hollmon, Director
Department of Human Services

REH:hmf

State Senator

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Member: Joint Finance Committee
Board Member: Wisconsin Housing and
Economic Development Authority

January 18, 2000

Jan Mueller,
Director of the Legislative Audit Bureau
131 West Wilson
Madison, WI 53703
HAND-DELIVER

Dear Director Mueller,

Recently, a number of complaints have been leveled against Maximus, the private, for-profit agency administering the Wisconsin Works (W-2) program, in Region 6 in Milwaukee County. These complaints, which range from failure to provide adequate services to allegations of discrimination in the workplace have been highlighted in recent articles written by Pete Millard at **The Business Journal**. As you know, my office has submitted these articles to the Legislative Audit Bureau for review.

According to a January 14, 2000, article in **The Business Journal**, "in the past 18 months, company insiders count 16 formal gender or racial discrimination complaints in the Milwaukee office of the Equal Employment Opportunity Commission against Maximus." **The Business Journal** article further asserts that "as many as a dozen internal grievances have been filed through Maximus' human resources office related to unfair promotion practices and employee harassment." This claim is attributed to Mona Garland, a senior manager at Maximus.

In addition, Legal Action of Wisconsin has filed a lawsuit against Maximus on behalf of Mone Sounthara, a Laotian woman. Ms. Sounthara was working at a Community Service Job (CSJ) through Maximus and approaching the two-year time limit on receipt of assistance in that subsidized employment category. Maximus made the decision to declare Ms. Sounthara "job ready." Thus, she was terminated from cash assistance even though she was not employed. The term "job ready" does not appear anywhere in Wisconsin Statutes or Administrative Rules. Yet, in the W-2 policy manual, the Department of Workforce Development (DWD) has defined the criteria for placing an unemployed individual into the "job ready" category as, an individual who: a) has no barriers to work which cannot be addressed through supportive services; b) is capable of working and has a willing attitude; c) has a steady and/or recent working experience; and d) has an educational or training background allowing the individual to compete for available jobs in the unsubsidized labor market. According to the complaint, Ms. Sounthara is unable to read or write English and speaks English with limited proficiency. Furthermore, she has no formal schooling in her native language. In addition, she does not have any work experience in the United States. I question whether Ms. Sounthara meets DWD's own definition of "job ready." If DWD disagrees with Maximus' decision

to declare Ms. Sounthara "job ready," the Department has the option of imposing a \$5,000 fine for failing to serve a participant. The 1997-99 W-2 contracts contained a provision that allowed the state to impose a \$5,000 fine on an administering agency for "failure to serve". The 1999-01 contracts contain a similar provision (see attached page 37, section 6.15 of the W-2 Request For Proposal). To my knowledge, DWD has never imposed this sanction on any W-2 agency.

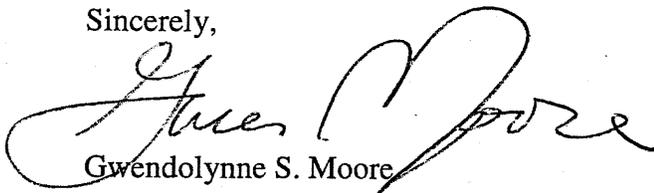
The Legislative Audit Bureau is required by state law to issue an evaluation of the W-2 program by July 1st, 2000. The complaints mounting against this for-profit agency are particularly troubling since DWD has projected that Maximus will receive approximately \$4 million in unrestricted profit as a result of administering the first round of W-2 contracts. A number of my constituents have raised the question whether or not these profits were gained as a result of failing to adequately serve clients. Furthermore, the state has recently entered into another contract with Maximus, worth \$28 million dollars, to administer the W-2 program for another two years. Therefore, I request as the Audit Bureau examines all W-2 administrative agencies, including Maximus, to evaluate the following:

- whether the provider agency is providing services consistent with its contract;
- the agency's personnel policies and procedures, including hiring practices;
- whether or not agencies, located in geographic areas of the state with high percentages of immigrant populations, provide language assistance to applicants and recipients who do not understand English;
- and a thorough review of the provider agencies' expenditures and the extent to which expenditures and services vary across administrative agencies.

In addition, I would further request that the Legislative Audit Bureau carefully examine Maximus' contract or contracts with MaxStaff Employment Services. MaxStaff, a subsidiary of Maximus Inc., is a temporary employment agency.

I thank you in advance for your assistance. Please contact me if you have any questions in regard to this request.

Sincerely,



Gwendolynne S. Moore

Cc: Senator Gary George, Co-Chair of Joint Committee on Audit
Representative Carol Kelso, Co-Chair of the Joint Committee on Audit



The League of Women Voters of Wisconsin, Inc.

122 State Street, Madison, Wisconsin 53703-2500

608/256-0827 FX: 608/256-2853 EM: genfund@lwvwi.org URL: <http://www.lwvwi.org>

Statement to the Senate Committee on Human Services and Aging in Support of SB 316

February 10, 2000

The League of Women Voters supports SB 316, which requires that the criteria established by the Department of Workforce Development for the use of community reinvestment funds be applied to the W-2 agency contracts ending December 31, 1999. Such a requirement holds the agencies accountable for using the funds for the benefit of the W-2 clients.

We understand that some county agencies may be using community reinvestment funds to help meet their other human service needs. Given that the legislature has not increased Community Aids for several years, their human service budgets are strained. Normally we would not support the use of money appropriated for one line item to be used to make up for inadequate funding in another, because we believe the state should adequately fund all programs it mandates. However, because there is some overlap in the services used in Community Aids, we would suggest that counties be able to use community reinvestment funds to supplement, but not replace, Community Aids, provided that first priority is given to direct services to W-2 participants.

Private agencies have no other obligations such as Community Aids to which community reinvestment funds could be directed. We strongly support the provision that public participation be included in the planning for the use of the funds, so that the money will be directed to services most needed by the W-2 participants. Reports on the use of the funds are also desirable to assure that the plans are carried out properly.

We urge the committee to make the suggested change in county use of reinvestment funds and that the amended SB 316 be recommended for passage.

LWVWI Legislative Committee Contact: Sally Phelps

INTERFAITH CONFERENCE OF GREATER MILWAUKEE

Founded 1970

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American Baptist Churches of Wisc.
The Rev. George Daniels,
Executive Minister

Episcopal Church
The Milwaukee Diocese
The Rt. Rev. Roger J. White, Bishop

Ev. Lutheran Church in America
Greater Milwaukee Synod
The Rev. Peter Rogness, Bishop

Milwaukee Jewish Council for
Community Relations &
Milwaukee Jewish Federation
Paula Simon, Executive Director

Wisconsin Council of Rabbis
Rabbi Steve Adams, President

Presbyterian Church (USA)
Presbytery of Milwaukee
The Rev. Phillip C. Brown,
Executive Presbyter

Religious Society of Friends
The Milwaukee Meeting
Judith Gottlieb, Clerk

Wisc. Gen. Baptist State Conv.
The Rev. Louis E. Sibley III, President

Unitarian Universalist Churches
The S.E. Wisconsin Association
Janet Nortrom, Representative

Roman Catholic Church
The Milwaukee Archdiocese
The Most Rev. Rembert Weakland,
Archbishop

United Church of Christ
The S.E. Wisconsin Association
The Rev. Tom Bentz
Association Minister

United Methodist Church
Metro North District
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Testimony of Marcus White, Associate Director
February 10, 2000

Regarding W-2 "Community Reinvestment" funds

The Interfaith Conference of Greater Milwaukee is the vehicle through which eleven faith groups collaborate in addressing social concerns. The eleven member judicatories, including Catholic, Jewish, Protestant, and Unitarian traditions, consist of approximately 500 congregations in the greater Milwaukee area.

The last time that Community Reinvestment dollars were made available to W-2 agencies the Interfaith Conference suggested that the Milwaukee W-2 agencies hold public forums to give the public an opportunity to raise issues that still need to be addressed. We realize that W-2 agencies are well aware of the issues that face low-income families. However, in a democratic society it is only appropriate to create mechanisms through which people affected by decisions, such as how to spend community reinvestment dollars, can voice their views and concerns.

We know that in many cases W-2 agencies are talking about doing some good and creative things with community reinvestment funds. Nevertheless, I do not think anyone would suggest that they have thought of everything and are aware of all the ways that TANF funds can be used to address the myriad needs that still go unmet. The example of housing in Milwaukee is only one issue that still needs to be addressed. For the last four winters the Interfaith Conference, Red Cross, and Milwaukee area congregations have provided an emergency shelter because existing homeless shelters for women and families have been filled to capacity. The number of women using the overflow shelter continues to increase as does the number of nights that this shelter is needed each year. These are all low-income women and families. It is obvious to us that something is going wrong and that perhaps Community Reinvestment funds could help address the ever-increasing issue of homeless women.

While W-2 has helped move some families into work it is also true that many families have moved to greater dependency on charitable resources for food and shelter. Our state and nation asked what impact welfare was having on

"To uphold the dignity of every person and the solidarity of the human community"

low-income children and families. We must also ask what impact standing in line in the freezing cold for a meal has on children and their self image. We frequently hear people say that it is good that churches and other charitable entities help people meet basic needs. And, indeed, it is good. But we have to ask if our vision of a healthy, 21st century economy is one where more and more people must rely on meal programs to subsidize their low-wage jobs. We have to find ways to help parents support themselves and their families. We believe that Community Reinvestment funds can be used in creative, innovative ways to help low-income families. We also believe that the public, particularly those in low-income families and communities, should have a formal role in informing the decision-making process regarding Community Reinvestment and that the agencies should report on a regular basis as to how these funds were used.

TO: The Committee on Human Services and Aging

FROM: Jean Verber and Anne Hazelwood, Coordinators
Milwaukee Women and Poverty Program

RE: Senate Bill 316

We thank you for holding this hearing since the proposed bill (316) is of critical importance especially to W-2 participants in Milwaukee. I speak today on behalf of the hundreds of women I and my partner have personally talked with and spent time with in their homes, in shelters, at food pantries, in overflow facilities, as well as on the phone.

In most areas of the State the county administers the W-2 program but in Milwaukee that is done by private agencies. This arrangement has proved problematic because there is no public channel for recourse, communication, or accountability to the community for what happens or doesn't happen to Milwaukee W-2 participants.

Milwaukee, as we know, has by far the greatest percent of the W-2 population. We also have the largest number of generational welfare families faced with unique challenges and need for services. Finally, we have a job market very different from the rest of the State. Most areas are looking for workers to meet labor shortages. In Milwaukee we have hundreds of workers looking for meaningful work isolated from suburb employment opportunities because of transportation barriers.

We speak in support of SB 316 for two reasons. First, it gives taxpayers in the community an opportunity to have a say in how their tax dollars are spent. But more importantly, it provides a channel for addressing some critical unmet needs among poor families. These families as well as advocates, church people, and a caring community want assurance that these needs will be met with funds intended for these purposes.

I would like to address one of these critical unmet needs: housing. This past year there were 12,000 evictions in Milwaukee. The Landlord Association tells us that the number of families that leave without paying owed rent is four times that...nearly 50,000 families. Not all are W-2 tenants but many are. We find them in shelters, doubling and tripling up, some leave the State, some give their children to relatives and go the overflow shelter.

Why is this happening? We have data from the Milwaukee PIC that one-third of the families on W-2 are sanctioned and receive on an average only one-half of their monthly grant - \$335. No family can meet rent and utility payments on that amount. I have spoken to a number of women and Legal Action can document hundreds of others who have legitimate reasons for not being able to meet rent payments: loss of jobs, end of temp jobs, hours are cut, wages are not sufficient, there are issues of abuse, AODA, and mental illness.

In Milwaukee we have a serious housing crisis and opening more shelters, we believe, is not

the only solution. We desperately need an emergency housing voucher program to assist families to stay in their own homes until issues can be resolved to get more financially stable. We feel children have a right to a stable home and mothers to assistance when real need exists to make that possible.

We would hope that the community reinvestment funds would be used for such a voucher program. The new federal TANF rules published in April, 1999 and in effect this past October state that states have substantially more flexibility to use these TANF funds for homelessness prevention programs for families with children and pregnant women, as well as for short term services and benefits for homeless families. Under the new rules benefits can be provided for up to four months, if necessary.

We, therefore, urge your support of SB 316 so we can have public input into the use of the community reinvestment funds for these critical unmet needs among our poor families. We have attempted to address this issue in various ways this past year to no avail. We see this legislation as providing a window of opportunity for dialogue and a means of accountability. We also see this finally as a means of addressing an issue affecting the most vulnerable in our community, among others not mentioned here. I believe this legislation offers a way to assure a more just and ethical use of funds that is the obligation of government to oversee .

Thank you.

February 10, 2000



"For these are all our children . . .
we will all profit by, or pay for,
whatever they become." James Baldwin

Senate Committee on Human Services and Aging

February 10, 2000

Public Hearing on SB 316
Expenditure of Community Reinvestment Funds

Testimony by Carol W. Medaris
Wisconsin Council on Children and Families

The Wisconsin Council on Children and Families is a statewide, non-profit organization that works to improve the well-being of vulnerable and low-income children and their families through education and advocacy. The Council supports this bill because it proposes to increase community oversight into how Community Reinvestment funds (CR funds) are spent.

Community involvement is important because W-2 funds, which form the basis for CR funds, were specifically allocated to help low-income families who are trying to become self-sufficient. Large sums of CR funds are now available in direct proportion to the number of families who have left the W-2 program and are no longer being served. In fact, W-2 agencies have been rewarded under the initial contracts solely for reducing caseloads, regardless of whether people leaving found work and without any inquiry about how they are faring.

Given this history, it is important that W-2 agencies be accountable to the public they serve, and in particular to the low-income community, for how CR funds are spent. With this in mind, the Council wishes to make the following suggestions for changes to SB 316.

1. The requirement that W-2 agencies actively solicit public participation in planning for the use of CR funds, and then report back on how the funds are spent, should extend to all W-2 agencies, not just private agencies. It is simply not enough that publicly elected officials are ultimately responsible for all county expenditures. To be meaningful, public participation must be sought during the planning process.

Some county agencies, for example the Rock County Human Services Department, have been receptive to suggestions from community

RESEARCH • EDUCATION • ADVOCACY

groups on how CR funds should be spent. The Council has heard from other advocates about county agencies that have not. The Council heard from one advocate who wanted to know if any kind of community input in the decision-making process was legally required. She serves on her county's W-2 Community Steering Committee, and the county agency refused to discuss the use of CR funds with the committee. In some counties, at least, the public participation and reporting requirements are essential to ensure adequate accountability.

2. Regarding the list of potential areas of expenditures --

a. It is my understanding that it was not the author's intent that the list be exclusive, and additional language needs to make that clear. Some W-2 agencies have expressed fears that programs they deem highly successful, but that do not fit neatly within one of the seven categories, might not continue to be approved.

b. At 49.179(3)(a)1, the "[i]mproving access to transportation" section should include "car purchase" programs as well as car leasing and car repair programs. Some counties are already providing for car purchase programs out of CR funds, and such programs may provide the best guarantee of dependable transportation for W-2 participants as well as other low-income working families.

3. Language should be added to prohibit the use of CR funds to supplant dollars counties are already using for programs. Funds intended to help low-income families should not be available for county property tax relief.

4. Finally, even though new criteria and community input provisions are to apply to CR funds accruing under the 97-99 contracts, the bill should provide exceptions for approved programs which W-2 agencies have already begun by the time new criteria are effective. The Council has heard from W-2 agencies concerned about this, and such a provision may avoid the constitutional issues which the Department raises in its fiscal estimate.

It would also seem appropriate to include a time limit within which the Department must issue criteria, in order to make sure the criteria can

Hearing: SB 316
Carol W. Medaris
February 20, 2000
Page 3

affect funds available under the first contract.

Finally, even if some exceptions are made for funds spent prior to new criteria becoming effective, the provision for reporting to the Joint Finance Committee regarding how funds have been spent should apply to all CR fund expenditures beginning with those CR funds accruing under the 97-99 contracts.

I have not researched the constitutional issue raised by the Department, but it is my understanding that the 97-99 contract language does not pose any conflict with the Department setting standards for the use of Community Reinvestment funds after the contract period is complete. (A much more compelling "right of contract" issue was raised when the Department set performance standards for receipt of profits and CR funds long after the 97-99 contracts had begun to run.)

In any case, it is certainly not appropriate to ask W-2 agencies who have already drawn down funds and begun using them in programs approved by the Department to discontinue those programs.

At the same time, given the way these funds accrued and the amount at stake it is reasonable to apply new statutory standards and required community input to 97-99 W-2 contract surpluses that are not already being tapped.

Finally, there can surely be no constitutional impediment to applying the bill's reporting requirement to all CR funds, regardless of which W-2 contract was the source of the funds.