



Legislative Fiscal Bureau

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May 16, 2001

Joint Committee on Finance

Paper #606

Creation of a Wisconsin Naval Militia (Military Affairs -- Agencywide)

[LFB 2001-03 Budget Summary: Page 450, #8]

CURRENT LAW

No provision.

GOVERNOR

Create a Wisconsin naval militia under the command and control of the Governor acting through the Department of Military Affairs Adjutant General, as follows:

Composition of Naval Militia. Provide that the Wisconsin naval militia would consist of members or former members of the U. S. Naval, Coast Guard or Marine Corps reserve, enlisted or appointed, who also join the Wisconsin naval militia. Specify that the members and units of this new entity would be under the command and control of the Governor through the Adjutant General. Establish the primary purpose of the naval militia as responding to the call of the Governor to support the state during times of natural disaster, state emergency, domestic disorder or other public service missions. Require the Adjutant General to establish the structure and units of the naval militia, subject to the approval of the Governor.

Assistant Adjutant General for Readiness and Training for the Naval Militia. Specify that the military staff of the Governor would be expanded to include an Assistant Adjutant General for Readiness and Training for the Naval Militia, who must hold the rank of Rear Admiral Lower Half or Brigadier General, depending on the branch of service. Specify that the new Assistant Adjutant General would be appointed by the Adjutant General, with the consent of the Governor, for a three-year period and could be reappointed. Stipulate that appointment of this Assistant Adjutant General would not be conditioned upon current membership in any of the U. S. armed forces reserves, but the individual would have to be a member of a U. S. reserve component or separated from the military under honorable conditions. Specify that this new

position would be assigned to the state unclassified service. No position authority or funding would be provided under the bill for the Assistant Adjutant General for Readiness and Training.

Naval Militia Units and Members Generally Made Subject to the Same Policies and Procedures Currently Applicable to the Wisconsin National Guard. Specify that the Wisconsin naval militia would be administered by the Department and would generally be subject to the same requirements of Chapter 21 of the statutes that govern members of the Wisconsin National Guard.

These provisions include the following. The Department would be responsible for providing facilities and any other available support and all administration needs for the naval militia. The Department would be authorized to rent these facilities to the naval militia when the facilities are not in use. The Adjutant General would be required to issue all necessary supplies, and arrange for their purchase and transportation. All subsistence would be supplied while on active duty. The naval militia would be provided with all necessary physical exams, inoculations and medical supplies. The Governor would be authorized to receive arms and military equipment from the U.S. government for a naval militia. The uniform of the naval militia would be consistent with the member's branch of service.

Specify that members of the naval militia on active duty in the state under orders of the Governor on a state basis would receive pay equal to their pay grade in the U. S. Armed Forces, including allowances and that the base pay could not be less than \$50 per day. Members of the Governor's military staff on such duty would receive the pay, but not the allowances, of an officer of equal grade in the U. S. armed forces. The Governor would be authorized to order the naval militia to assemble for regular and specialty training. Pay and allowances for attendance at these schools would be set by the state or federal government.

Provide that members of the naval militia would be entitled to leaves of absence from state service, without loss of time served, to attend military school and annual field training or annual federal tours of active duty. Establish that membership in the naval militia would be subject to the state nondiscrimination statutes, to the extent allowed by federal law and regulations. Specify that naval militia members while in state service are employees for worker's compensation purposes. Authorize the payment of a death benefit of at least \$50,000 to dependents of a deceased member of the naval militia who died while performing required services.

Any member of the naval militia failing to carry out orders, or failing to appear for duty as ordered, would be subject to the Wisconsin Code of Military Justice. Any member of the naval militia subject to prosecution arising from acts performed while on military duty, and in pursuance of that military duty would be defended at state expense and any judgments ordered to be paid would be funded from a sum sufficient appropriation under Program Supplements used for the payment of judgments against the state and its officers and agents.

In the event that the naval militia would be activated by the Governor for the defense of the state during war, riot, natural disaster, great public emergency, provide that the members of

the naval militia would be paid from an existing GPR sum sufficient appropriation under the Department for such purposes. Modify the appropriation to permit its use in funding the naval militia during public emergencies.

DISCUSSION POINTS

1. Although a number of states, particularly in the East, had naval militias during the Revolutionary War and Civil War periods, most were disbanded or deactivated during the latter part of the 19th century. Wisconsin had a small naval militia from 1909 until it was repealed by Chapter 68, Laws of 1955. Currently, only four states (Alaska, New Jersey, New York and Ohio) have active naval militias. The New York naval militia dates from 1889, while the active naval militias in the other three states have all been organized or reactivated within the last 20 years.

2. The Wisconsin Constitution [Article V, Section 4] provides that the Governor shall be the commander in chief of the "military and naval forces of the state." Although the Governor is vested with the authority to command the state's naval forces, this power lies unused in the absence of a naval militia. The Department of Military Affairs views the current budget recommendations as enabling legislation to establish a basic operational framework for a naval force under the command of the Governor.

3. Once an enabling statute is in place, current federal law [10 U. S. Code 7854] would apply. This federal provision authorizes the Secretary of the Navy to issue, loan or assign vessels, material, armaments, equipment and facilities that are available to the Naval Reserve and the Marine Reserve to the naval militia of any state, provided

- At least 95% of the members of the state naval militia unit are comprised of active members of the Naval or Marine Corps Reserves; and

- The organization, administration and training of the naval militia conform to the standards prescribed by the Secretary of the Navy.

4. If a Wisconsin naval militia would be organized, DMA has indicated that it would staff the new militia solely from the ranks of active Naval Reservists in the state. DMA has identified 149 hospital reservists and 224 engineer reservists stationed in Green Bay, La Crosse, Madison and Milwaukee who would be the initial candidates for participation in the new naval reserve.

5. These reservists would undergo initial documentation and background checks and would take an oath of allegiance to the Governor, as commander in chief. DMA anticipates that initially, these naval reservists would have two to three training sessions annually. Initially, the Department does not anticipate expanding the ranks of the proposed naval militia any further than described here.

6. The Department advises that these modest activities leading to the "stand-up" of a Wisconsin naval militia could be accomplished at minimal expense and could be supported within

existing base level resources.

7. Members of the naval militia would not be state employees, would be in nonpay status (unless activated by the Governor under a declaration of emergency) and would not be covered by the National Guard tuition grant program.

8. The Department has identified the following benefits that could accrue from having a naval militia:

- A specialized cadre of reservists would be available to provide medical expertise for triage and decontamination situations. The state recently lost an Army Reserve medical unit; consequently, incorporating the hospital reservists into a naval militia would fill an important need in the event of an emergency;
- The naval militia could engage in clean-up, prevention or mitigation of natural disaster or man-made catastrophic event, especially in the case of long-term response; and
- The naval militia could respond to domestic disorder and civil defense responses, as directed by the Governor.

9. If the Committee believes that these considerations have sufficient merit to warrant the establishment of a separate Wisconsin naval militia, then it could approve the Governor's recommendation.

10. On the other hand, if the Committee believes that the state's existing Army and Air Force National Guard organizations are sufficient to meet the state's needs and that scarce resources in the future should be allocated to these entities rather than to a new organizational unit, then it could act to delete the Governor's recommendation.

11. If the Committee chooses to establish a Wisconsin naval militia at this time, it should bear in mind that although the current budget proposal contains no funding or position authorizations for the staffing and implementation of a state naval militia, the establishment of such a function will ultimately require an on-going commitment of additional GPR funding to the Department.

12. The Department estimates that initially, it would require a minimum of \$144,800 GPR during the first year and \$162,800 GPR during the second year to provide the most basic staff support for the operation of a Wisconsin naval militia. These funds would support an Assistant Adjutant General for Readiness and Training for the Naval Militia, an administrative coordinator position, LTE assistance and supplies and services costs. Depending upon what other activities would ultimately be assigned to the naval militia, if it were further expanded, additional future costs could be incurred.

ALTERNATIVES

1. Approve the Governor's recommendation to establish a Wisconsin naval militia.
2. Maintain current law.

Prepared by: Darin Renner

MO# Alt 2

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 7 NO 9 ABS _____

MILITARY AFFAIRS

Agencywide

LFB Summary Items for Which No Issue Paper Has Been Prepared

Item #	Title
1	Standard Budget Adjustments
4	Fuel and Utility Cost Increases
5	Youth Challenge Program State Match Requirement
7	Debt Service Reestimate

MO#			
BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A

LFB Summary Item to be Addressed in a Subsequent Paper

Item #	Title
3	Base Budget Reductions

GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE _____ NO _____ ABS _____

LFB Summary Item for Introduction as Separate Legislation

Item #	Title
6	Report on the Effectiveness of the Badger Challenge and the Youth Challenge Programs

MILITARY AFFAIRS -- AGENCYWIDE

Study of the Continuing Need for Current State Armories

Motion:

Move to direct the Department of Military Affairs to assess the continuing need for each existing state armory. Require that the study include: (1) for each state armory, a description of the actual training conducted at the facility; (2) an analysis of the military need for each armory facility; (3) an analysis of whether each armory is predominantly used by the community or by National Guard units assigned to the facility; (4) a ranking of each armory based on its total cost of operation; (5) a ranking of each armory based on the per-member cost of operation of the National Guard units assigned to the facility; and (6) an assessment of whether armories in counties with two or more such facilities should be consolidated. Direct the Department to report the results of its assessments to the Governor and the Legislature by August 1, 2002. Further, direct that the Department include in its 2003-05 biennial budget request a proposal for the divestiture of those armories identified as the least cost effective and least essential, based on the results of the agency's study.

Note:

Currently, there are 67 armories throughout the state. There are 31 counties with one armory each, 16 counties with two to three armories each and 25 counties that do not have an armory.

The Department may sell an armory if the Adjutant General makes that recommendation to the Governor; and after an appraisal of the facility, the Governor recommends its sale.

This motion would direct the Department to undertake a variety of cost assessment measures of current armories. The Department would be required to report its findings to the Legislature and the Governor by August 1, 2002, and include armory closure recommendations in its 2003-05 biennial budget request.

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A

GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 3 NO 13 ABS _____

Arts Board

Bill Agency

(LFB Budget Summary Document: Page 144)

No Issue Papers Have Been Prepared

ARTS BOARD

LFB Summary Items for Which No Issue Paper Has Been Prepared

Item #	Title
1	Standard Budget Adjustments
3	SASI Initiative
4	Reestimate Federal Revenues

LFB Summary Item to be Addressed in a Separate Paper

Item #	Title
2	Base Funding Reduction

*Shibilski Motion
ARTS*

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE _____ NO _____ ABS _____

Tobacco Control Board

Base Agency

(LFB Budget Summary Document: Page 634)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
2 & 4 (part)	Grant Funding (Paper #880)
3 & 4 (part)	Staff (Paper #881)



Legislative Fiscal Bureau

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May 10, 2001

Joint Committee on Finance

Paper #880

Grant Funding (Tobacco Control Board and DHFS -- Public Health)

[LFB 2001-03 Budget Summary: Page 634, #2, Page 636, #4 and Page 372, #3]

CURRENT LAW

1999 Wisconsin Act 9 (the 1999-01 biennial budget act) provided that the first \$23.5 million of the moneys received from the Attorney's General Master Tobacco Settlement Agreement (MSA) of November 23, 1998, be used to create a nonlapsible tobacco control trust fund. In fiscal year 2000-01, a total of \$20,808,000 SEG from the tobacco control fund is budgeted for grants. Of this funding, \$2.5 million is earmarked for: (a) research, prevention and cessation activities conducted by the University of Wisconsin-Madison tobacco research and intervention center (\$1.0 million); (b) the Thomas T. Melvin youth tobacco prevention and education program (\$1.0 million); and (c) tobacco use prevention and cessation activities at the Medical College of Wisconsin (\$500,000). The remainder of the funding (\$18,308,000) is available for grants for a variety of tobacco control activities.

GOVERNOR

Specify that the first \$12,006,400 in 2001-02 and \$21,169,200 in 2002-03 received from the MSA be deposited to the tobacco control fund to continue to fund the Board's grants and activities. Of this funding, \$11,654,000 in 2001-02 and \$20,808,000 in 2002-03 is budgeted for tobacco control grants.

Reduce funding for grants by \$9,154,000 SEG in 2001-02, to reflect that half of the total 2000-01 funding authorized under Act 9 for competitive grants (\$18,308,000) will not be expended in 2000-01 and instead, will be carried forward and available for expenditure in 2001-02.

Increase from \$1.0 million to \$1.5 million in 2001-02 and from \$1.0 million to \$2.0 million in 2002-03, the amount of grant funding the Board is required to provide to support the Thomas T. Melvin youth tobacco and prevention education program. Reduce GPR funding budgeted for the program in the Department of Health and Family Services (DHFS) by corresponding amounts, so that the program would be entirely funded from SEG tobacco control funds by 2002-03, but total funding for the program would remain the same, \$2 million per year (all funds).

DISCUSSION POINTS

1. Under 1999 Act 9, the Board was authorized to award \$18,308,000 in competitive grants for activities to reduce and prevent tobacco use in the state, beginning July 1, 2000. The Board began awarding competitive grants on a calendar year basis, beginning January 1, 2001. Therefore, half of the funding budgeted for competitive grants in 2000-01, or a one-time surplus of \$9,154,000, will be carried forward to support grants in the 2001-03 biennium. The table below summarizes Tobacco Control Board grant expenditures for 2000-01, and the Governor's recommended levels for 2001-03.

Tobacco Control Board Grant Funds 2000-01 through 2002-03

	2000-01	Governor's Recommendation	
		2001-02	2002-03
Thomas T. Melvin Youth Tobacco Prevention and Education Program	\$1,000,000	\$1,500,000	\$2,000,000
University of Wisconsin-Madison Tobacco Research and Intervention Center	1,000,000	1,000,000	1,000,000
Medical College of Wisconsin	500,000	500,000	500,000
Competitive Grants	<u>9,154,000*</u>	<u>17,808,000**</u>	<u>17,308,000</u>
Total	\$11,654,000	\$20,808,000	\$20,808,000

*Reflects that amount that will actually be awarded in 2000-01. As noted above, because of the timing of awards, half of the funding available for competitive grants in 2000-01 will be carried over to the 2001-03 biennium.

**Includes \$9,154,000 carried over from state fiscal year 2000-01.

2. Under the bill, the amounts deposited from the MSA to the tobacco control fund equal the total budget recommended for the Board in the 2001-03 biennium, including the funds budgeted for general operations of the Board.

3. As shown in the table, total funding available for grants would remain \$20,808,000, as originally provided in 2000-01 under Act 9. However, of this funding, an additional \$500,000 in

2001-02 and \$1.0 million in 2002-03 from the tobacco control fund would be earmarked for the Thomas T. Melvin program, and GPR funding for the program would be reduced accordingly. The effect of this would be to reduce funding available for competitive grants to \$17,808,000 in 2001-02 and \$17,308,000 in 2002-03, and reduce total funding for tobacco control programs by \$500,000 in 2001-02 and \$1.0 million in 2002-03.

4. Under current law, the Board may distribute the competitive grants for the following purposes: (1) community-based programs to reduce tobacco use; (2) community-based programs to reduce the burden of tobacco-related diseases; (3) school-based programs relating to tobacco use cessation and prevention; (4) enforcement of local laws aimed at reducing exposure to secondhand smoke and restricting underage access to tobacco; (5) grants for partnerships among statewide organizations and businesses that support activities related to tobacco use cessation and prevention; (6) marketing activities that promote tobacco use cessation and prevention; (7) projects designed to reduce tobacco use among minorities and pregnant women; (8) other tobacco use cessation programs; (9) surveillance of indicators of tobacco use and evaluation of activities funded by the Board; and (10) development of policies that restrict access to tobacco products and reduce exposure to environmental tobacco smoke.

5. The statutory uses for the tobacco control funds were based on the Center for Disease Control and Prevention (CDC) recommended components for a comprehensive tobacco control program. According to the CDC, in order to be successful, programs must be comprehensive, sustained over time and utilize community partnerships.

6. On August 29, 2000, the Board approved a strategic plan using the CDC recommendations as a guideline for distributing the funding. Based on the plan, the Board awarded competitive grants for calendar year 2001 as follows: (1) media and countermarketing (\$6.5 million); (2) community coalitions (\$7.0 million); (3) youth-led movement (\$800,000); (4) cessation support (\$800,000); (5) statewide programs (\$1,499,200); (6) resource clearinghouse (\$200,000); and (7) monitoring and evaluation (\$1.5 million). The attachment to this paper provides a brief description of each of these components.

7. While nearly all of the funding budgeted for grants has been awarded in calendar year 2001, some of these funds are contracted at maximum amounts for levels of activities that may not be achieved under the contract period. For example, \$5 million is budgeted for activities for local coalitions. However, funding for the coalitions is based on three levels of functionality. Local coalitions receive a base grant for new coalitions, and higher grants for more advanced coalitions. As of January, 2001, \$2,555,400 of the \$5,000,000 had been awarded. While local coalitions can negotiate for higher level grants by advancing their coalitions to the next level through the end of May, all coalitions would not be expected to reach the highest level by that time. Therefore, not all of the grant funding budgeted for calendar year 2001 is expected to be spent, and additional funds will be carried forward under the program's continuing appropriation, which could be used to offset some of the reduction in competitive grant funding under the bill.

8. The Board's Executive Director indicates that, while all of the funds awarded for

grants in 2001 may not be expended under the current contracts, the program's budget reflects the minimum amount needed to meet the following goals by 2005: (1) reduce tobacco use among middle- and high school-age youth by 20%; (2) reduce tobacco use among adults by 20%; (3) reduce total tobacco consumption by 20%; (4) 100 municipalities will establish smoke-free restaurant ordinances; (5) 100% of municipal governments will have smoke-free government-owned buildings; (6) 90% of workplaces will establish smoke-free environments; and (7) 70% of homes will voluntarily establish smoke-free environments. Any grant funds that are unspent would be reapplied in the next round of grant awards to further efforts to accomplish these goals.

9. The CDC estimates a range of funding each state must provide to have a successful comprehensive tobacco control program. For 2001, the CDC recommends that Wisconsin expend between \$31,158,000 and \$82,381,000 for tobacco control activities.

10. The CDC indicates that Wisconsin funds its program at a level that represents approximately 75% of the recommended lowest funding level, and currently ranks 10th among states for tobacco control funding as measured as a percentage of the CDC recommended funding ranges. This analysis takes into consideration \$1,214,500 FED DHFS receives annually from the CDC for tobacco control and prevention programs and the \$1.0 million GPR currently budgeted in DHFS for the Thomas T. Melvin program, in addition to funding budgeted for the Board.

11. Only seven states meet or exceed the CDC recommended lower levels. According to a CDC 2001 study of state highlights in investments in tobacco control, the average level of investment among states in comprehensive tobacco control programs is at 59% of the CDC lower level recommendations for 2001.

12. The calculations used to determine the CDC recommended funding levels are not based on the cost to implement such a program in each state. Rather, the CDC calculations use base level and per capita amounts that are the same for each state. As a result, the main difference between states recommended funding levels is the population of the state.

13. In its report, "Investment in Tobacco Control: State Highlights 2001," the CDC indicates that states have witnessed reductions in tobacco use with less funding than the amounts recommended by the CDC. For example, Oregon's program, which is funded at 44% of the CDC lower recommendation, has experienced decreases in smoking among adults, pregnant women and youth. In addition, California, a state that has been at the forefront of tobacco control efforts, and has had an almost 50% decrease in per capita cigarette use from 1988 to 1999, has a tobacco control budget that represents approximately 71% of the CDC lower estimate of recommended tobacco control funding. States' success in reducing tobacco use may also be attributable to other factors, such as tobacco excise taxes. (California's cigarette tax rate is 87¢ per pack while Oregon's rate is 68¢ per pack.)

14. The level of spending needed to implement a successful, comprehensive tobacco control program depends on elements that are unique to each state, such as labor and supply costs, state geography and existing state infrastructure to support such services.

15. The CDC recommendations provide a good resource for guidance in developing a state tobacco prevention and cessation program and for comparison as to how other states are using dedicated funding sources to create tobacco control programs. However, states can have successful programs even if they do not fund tobacco control activities at the level suggested by the CDC guidelines.

16. Information on effectiveness of the programs funded by the Board in Wisconsin is not yet available. The Board is required by statute to report on the success of the program to the Governor and Legislature on July 1, 2001. However, based on the January 1, 2001, start-up date for grants, the July 1, 2001, report will most likely not include information on the program's effectiveness to date.

17. Many states have determined that, while tobacco control and prevention is a high priority, other priorities must also be met. In Wisconsin, the amount of funding deposited to the tobacco control fund has a dollar-for-dollar effect on the general fund, and as such, should be reviewed in the same manner as all other general purpose revenue expenditures.

18. Given that the national average funding level for comprehensive tobacco control programs is 59% of the CDC recommended lower funding recommendation, the Committee could reduce funding for the tobacco control program by \$4,491,600 in 2001-02 and \$4,000,400 in 2002-03, and still invest in tobacco control activities at the national average rate of the CDC lower estimate recommendations. Amounts transferred from the general fund to the tobacco control fund would be reduced accordingly, providing an additional \$8,492,000 in general purpose revenues over the biennium, while still maintaining a substantial budget for tobacco control activities of \$36.8 million over the biennium (\$18,383,300 annually), including federal CDC funds.

19. Another option the Committee could consider would be to transfer full funding for the Thomas T. Melvin program from GPR to the tobacco control fund beginning in 2001-02, instead of phasing in half of the funding in the first year of the biennium, as provided under the bill. This would reduce funding budgeted in DHFS by \$500,000 GPR in 2001-02.

20. The effect on tobacco control grants of fully funding the Thomas T. Melvin program from tobacco control funds in 2001-02 would be to reduce the amount of funding available for competitive grants in calendar year 2002 from \$17,308,000 to \$16,308,000. This is because \$9,154,000 of the funding available for the first year of the biennium is already committed for the last six months of the calendar year 2001 grants. Funding available for competitive grants for calendar year 2003 would continue to be \$17,308,000. Given that full awards may not be spent in calendar year 2001, as discussed above, some of the reduction for 2002 could be absorbed with the carryover spending.

21. The National Association of Attorneys General has warned states that reducing the amount of the MSA that is dedicated to tobacco prevention and public health may jeopardize future proceeds. This relates to legislation sought and obtained by the states to prohibit the federal Department of Health and Human Services from securing a portion of the state's proceeds from the

MSA to offset the federal government's share of health care costs related to tobacco use. Testimony from the states in support of retaining the proceeds indicated that it would be invested in tobacco prevention and public health programs. If Congress finds that states are not following through with this commitment, it may enact legislation to allow the federal government to recoup some of those payments. While the state would be protected from reductions in future MSA payments, under the Governor's securitization proposal, proponents claim that since the state is receiving funds due to the lawsuit filed to recoup expenses for all residents who have used tobacco, the funds should continue to be used for tobacco prevention and cessation programs.

22. In addition, it could be argued that given the demonstrated social and economic costs to the state of tobacco use, reducing state funding for the Board at this time could increase future level of spending for social and economic costs.

23. For these reasons, if the Committee wishes to maintain the state's current level of spending for tobacco control and prevention, the Committee could continue to provide \$1,000,000 SEG annually for the Thomas T. Melvin program. This would require an additional \$500,000 GPR in 2001-02 and \$1,000,000 GPR in 2002-03 budgeted in DHFS. Under this proposal, competitive grant funding would continue at its current level of \$18,308,000 annually.

24. In its 2001-03 biennial budget request, the Tobacco Control Board requested an additional \$2.0 million, beginning in 2002-03, to increase funding for cessation services and resources targeted at high-risk populations. The Board indicates that such funds are needed in order to: (1) support an increase in demand for cessation services and activities that will result from the Board's first year of grant activities raising awareness of the health implications of tobacco use; and (2) increase activities aimed at high-risk populations.

25. The Committee could increase the amount of funds transferred to the tobacco control fund in 2002-03 by \$2.0 million to allow the Board to increase funding for cessation support programs and programs targeted at high-risk populations. This would increase SEG funding from the tobacco control fund by \$2.0 million in 2002-03 and reduce available general purpose revenues by the same amount.

26. However, it could be argued that as awareness of the dangers and implications of tobacco use is elevated through the Board's outreach and educational activities, the Board should shift the some level of funding provided for those activities to increased cessation support. Further, the Board has the ability to target more if its current grants to fund programs for high-risk populations.

27. As noted above, by July 1, 2001, and each year thereafter, the Board is required to submit a report to the Governor and Legislature evaluating the success of programs funded from the tobacco control funds. Because the Board awards grants on a calendar year basis, the Committee may want to modify the deadline for the report so that in future years, information on the progress and success of programs receiving tobacco control funds would be available for the Legislature's biennial budget deliberations. The Committee could modify the deadline for the annual report to

provide a deadline April 15th to ensure that such information would be available.

28. The revenue transfer in the 1999-01 biennium to the tobacco control fund was a one-time transfer. Because the Tobacco Control Board is considered a base agency for Joint Finance Committee deliberations, a vote must be taken to transfer revenue in 2001-03 to the tobacco control fund in order to fund 2001-03 Tobacco Control Board grants and operations.

ALTERNATIVES TO BASE

A. Overall Grant Funding

1. Approve the Governor's recommendation to: (1) specify that \$11,654,000 in 2001-02 and \$20,808,000 in 2002-03 in proceeds from the MSA be transferred to the tobacco control fund to fund tobacco control grants; and (2) reduce funding for grants by \$9,154,000 SEG in 2001-02 to reflect that half of the total 2000-01 funding authorized under Act 9 for competitive grants (\$18,308,000) will not be expended in 2000-01 and instead, will be carried forward and available for expenditure in 2001-02. Total amounts available for tobacco control fund grants would be \$20,808,000 annually.

<u>Alternative A1</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 REVENUE (Change to Base)	- \$32,462,000	\$32,462,000	\$0
[Change to Bill]	\$0	\$0	\$0
2001-03 FUNDING (Change to Base)	\$0	- \$9,154,000	- \$9,154,000
[Change to Bill]	\$0	\$0	\$0

2. Fund the tobacco control program at the national average level of 59% of the CDC recommended lower level. Modify the base as follows: (1) transfer \$7,162,400 in 2001-02 and \$16,807,600 from the proceeds from the MSA to the tobacco control fund to fund tobacco control fund grants; and (2) reduce funding for grants by \$9,154,000 SEG in 2001-02 to reflect that half of the total 2000-01 funding authorized under Act 9 for competitive grants (\$18,308,000) will not be expended in 2000-01 and instead, will be carried forward and available for expenditure in 2001-02. Total funding available for grants would be \$16,316,200 in 2001-02 and \$16,807,600 in 2002-03.

<u>Alternative A2</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 REVENUE (Change to Base)	- \$23,970,000	\$23,970,000	\$0
[Change to Bill]	\$8,492,000	- \$8,492,000	\$0
2001-03 FUNDING (Change to Base)	\$0	- \$17,646,000	- \$17,646,000
[Change to Bill]	\$0	- \$8,492,000	- \$8,492,000

3. Fund tobacco control grants at the Governor's recommended level, and provide an additional \$2 million in 2002-03 for grants for cessation activities and programs targeted at high-

risk populations. Specify that: (1) \$11,654,000 in 2001-02 and \$22,808,000 in 2002-03 in proceeds from the MSA be transferred to the tobacco control fund to fund tobacco control grants; (2) funding for grants would be reduced by \$9,154,000 SEG in 2001-02 to reflect that half of the total 2000-01 funding authorized under Act 9 for competitive grants (\$18,308,000) will not be expended in 2000-01 and instead, will be carried forward and available for expenditure in 2001-02; and (3) funding for grants would be increased by \$2,000,000 in 2002-03 for cessation activities and programs targeted at high-risk populations. Total funding for grants would be \$20,808,000 in 2001-02 and \$22,808,000 in 2002-03.

<u>Alternative A3</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 REVENUE (Change to Base)	- \$34,462,000	\$34,462,000	\$0
[Change to Bill]	- \$2,000,000	\$2,000,000	\$0
2001-03 FUNDING (Change to Base)	\$0	- \$7,154,000	- \$7,154,000
[Change to Bill]	\$0	\$2,000,000	\$2,000,000

B. Thomas T. Melvin Youth Tobacco Prevention and Education

1. Approve the Governor's recommendation to increase from \$1.0 million SEG to \$1.5 million SEG in 2001-02 and from \$1.0 million SEG to \$2.0 million SEG in 2002-03, the amount of grant funding the Board is required to provide to support the Thomas T. Melvin youth tobacco and prevention education program. Reduce GPR funding budgeted for the Thomas T. Melvin program in DHFS by \$500,000 GPR in 2001-02 and \$1.0 million in 2002-03. Funding for tobacco control competitive grants would be reduced by \$500,000 in 2001-02 and \$1,000,000 in 2002-03.

<u>Alternative B1</u>	<u>GPR</u>
2001-03 FUNDING (Change to Base)	- \$1,500,000
[Change to Bill]	\$0

2. Increase from \$1,000,000 SEG to \$2,000,000 SEG annually, the amount of grant funding the Board is required to provide to support the Thomas T. Melvin youth tobacco and prevention education program. Reduce GPR funding budgeted in DHFS by \$1,000,000 annually. Funding for tobacco control competitive grants would be reduced by \$1,000,000 annually.

<u>Alternative B2</u>	<u>GPR</u>
2001-03 FUNDING (Change to Base)	- \$2,000,000
[Change to Bill]	- \$500,000

3. Maintain current law. SEG funding for the Thomas T. Melvin program would remain at \$1,000,000 annually, and GPR funding for the program would remain at \$1,000,000 GPR annually. Funds available for tobacco control board competitive grants would remain at \$18,308,000 annually.

Alternative B3	GPR
2001-03 FUNDING (Change to Base)	\$0
[Change to Bill]	\$1,500,000

C. Annual Report

1. Beginning in 2002, require the Board to submit its annual report to the Governor and Legislature by April 15, rather than July 1, as provided under current law.
2. Maintain current law. The deadline for the annual report would continue to be July 1.

*A-1 - needs 2 motion
per staff
B-3
C-1
Owen B-2*

Prepared by: Carri Jakel
Attachment

MO# A-2

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 8 NO 8 ABS _____

ATTACHMENT

**Wisconsin Tobacco Control Board
Calendar Year 2001 Allocations**

Plan Component	Contractor/Grant Recipient	Project Description	Funding
Media and Countermarketing	BVK/McDonald	Comprehensive statewide media campaign, working in collaboration with other TCB programs, to support tobacco use prevention and cessation and elimination of second-hand smoke.	\$6,500,000
Community Coalitions Total - \$7,000,000			
• Community Coalition Grants	Health and Family Services-- Division of Public Health	To develop community-based programs to reduce tobacco use and change attitudes and norms regarding tobacco. Encourage policies that promote and support tobacco-free lifestyles.	5,000,000
• School Grants	Department of Public Instruction	A competitive grant program to support school programs to prevent tobacco use and addiction.	1,250,000
• Training and Technical Assistance	Health and Family Services-- Division of Public Health	Provide regional training and technical assistance for community coalitions.	750,000
Youth-led Movement	The Nixon Group and Strive Media Institute	Wisconsin Teens Take on Big Tobacco -- statewide summit for 300 youth, and youth-led advocacy initiative.	\$800,000
Cessation Support	Center for Tobacco Research and Intervention	To administer the state quit smoking helpline.	\$800,000
Statewide Programs Total - \$1,499,244			
• Ethnic Network and Local Grants to Communities of Color	DPH Minority Health Program, Great Lakes Inter-Tribal Council, Black Health Coalition of WI, WI Mutual Assistance Association, United Migrant Opportunities Service	Wisconsin Ethnic Network Collaborative to implement tobacco control strategies in ethnic communities and monitor the effect of programs and policies on communities of color.	600,000
• Youth Adult Pilot Studies	University of Wisconsin-Oshkosh	Develop campus strategies to promote nonsmoking, cessation and clean indoor air.	181,000
	University of Wisconsin - Madison School of Pharmacy	Pharmacy- and work-site- based smoking cessation programs.	
• Pregnant Smokers Pilot Studies	Wisconsin Women's Health Foundation	To help pregnant women stop smoking through counseling, support groups and educational materials.	244,242
• Youth Cessation Pilot Studies	American Lung Association	"Not On Tobacco" (NOT) program to expand youth cessation programs.	298,918
Resource Clearinghouse	Wisconsin Clearinghouse for Prevention Resources	Provide a centralized source for current and accurate information on tobacco control resources, research and technical assistance.	\$200,000

Plan Component	Contractor/Grant Recipient	Project Description	Funding
Monitoring and Evaluation	University of Wisconsin Comprehensive Cancer Center	Monitor trends in state tobacco use, evaluate state programs and policies, assist local coalitions in program evaluation, and communicate findings to state and local leaders.	\$1,500,000
Statutory Requirement	Medical College of Wisconsin	For education, outreach, cessation and research programs to prevent individuals from smoking and assisting smokers to quit.	\$500,000
Statutory Requirement	UW-Madison Center for Tobacco Research and Intervention	To conduct an annual survey tracking tobacco use in the state, partner with the Women's Health Foundation to reach adolescent girls, provide education and outreach, and administer mini-grants.	\$1,000,000
Statutory Requirement	Health and Family Services-- Division of Public Health - Thomas T. Melvin Program	Mass media, community and school programs aimed preventing tobacco use among children ages 11-14.	\$1,000,000
TOTAL AWARDS			\$20,799,244

TOBACCO CONTROL GRANTS

Grant Funding and Ongoing Transfer of Funds to the Segregated Tobacco Control Fund

[LFB Paper #880]

Motion:

Move to reduce funding for grants in the bill by \$5,808,000 SEG annually, for total grant funding of \$15,000,000 annually. Reduce the amounts transferred from the general fund from proceeds from the Attorney's General Master Settlement Agreement (MSA) of November 23, 1998, by the same amounts.

Increase from \$1,500,000 SEG to \$2,000,000 SEG in 2001-02, the amount of grant funding in the bill the Board would be required to provide to support the Thomas T. Melvin youth tobacco and prevention education program. Reduce GPR funding budgeted in DHFS by \$500,000 in 2001-02.

Modify the deadline for the Tobacco Control Board's annual report from July 1 to April 15, beginning in 2002.

Specify that the same amount of funding that would be transferred from the Attorneys General Master Settlement Agreement (MSA) to the segregated tobacco control fund in 2002-03 would be transferred in each subsequent fiscal year.

Note:

Funding Amount. The bill would deposit \$12,006,400 in 2001-02 and \$21,169,200 in 2002-03 from proceeds from the MSA to the tobacco control fund. The funds would be used to support to Tobacco Control Board operations and to provide tobacco control grants totaling \$20,808,000 annually. Of the \$20,808,000 for grant funding, \$3.0 million in 2001-02 and \$3.5 million in 2002-03 would be earmarked for: (a) research, prevention and cessation activities conducted by the University of Wisconsin-Madison tobacco research and intervention center (\$1.0 million annually); (b) the Thomas T. Melvin youth tobacco prevention and education program (\$1.5 million in 2001-



Legislative Fiscal Bureau

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

May 10, 2001

Joint Committee on Finance

Paper #881

Staff (Tobacco Control Board)

[LFB 2001-03 Budget Summary: Page 635, #3 and Page 636, #4]

CURRENT LAW

1999 Wisconsin Act 9 (the 1999-01 biennial budget act) created the Tobacco Control Board. The Board is authorized 2.0 SEG positions, including 1.0 staff coordinator position that serves as the Executive Director and 1.0 program and planning position. Base funding for general operations for the Board is \$408,600 SEG from the tobacco control fund.

GOVERNOR

Provide \$2,600 SEG in 2001-02 and \$11,400 SEG in 2002-03 and 2.0 SEG positions, beginning in 2001-02, to support the Board's activities. The positions would include 1.0 contract specialist to increase monitoring of grants awarded by the Board and 1.0 program assistant to provide clerical support to the Board. The cost of these positions (\$62,600 in 2001-02 and \$71,400 in 2002-03) would be partially offset by reducing base funding budgeted for limited-term employees (-\$50,000 annually) and permanent property (-\$10,000 annually).

The amounts transferred from the general fund to the tobacco control fund from the proceeds from the Attorney's General Master Tobacco Settlement Agreement of November 23, 1998 (MSA) include \$352,400 in 2001-02 and \$361,200 in 2002-03 to support the Board's general operations.

DISCUSSION POINTS

1. The Board, which is comprised of members appointed by, and who serve at the pleasure of, the Governor, currently has 22 members. The Board is responsible for: (1) appointing

an Executive Director; (2) administering the tobacco control grant program; (3) promulgating rules establishing criteria for recipients of grant awards, including performance-based standards for grants for media efforts, and ensuring that the programs or projects funded are culturally sensitive; (4) providing a forum for discussion, development and recommendation of public policy alternatives in the field of smoking cessation and prevention; (5) providing a clearinghouse of information on matters relating to tobacco issues and how they are being met in different places throughout the nation such that both lay and professional groups in the field of government, health care and education may have additional avenues for sharing experiences and interchanging ideas in the formulation of public policy on tobacco; and (6) developing and preparing an annual report regarding the allocation of funding for a statewide tobacco control program, the success of the grant program, the number of grants awarded, the purpose for which the grants were made and any donations or grant.

2. In the 1999-01 biennium, the Board has appointed an Executive Director, developed a strategic plan, promulgated rules for, and awarded funds under the tobacco control grant program and contracted with the University of Wisconsin-Madison Clearinghouse for Prevention to provide a clearinghouse for tobacco information and resources across the country. The Board has appointed five subcommittees to address specific topics and make recommendations to the Board. To date, the Board and its subcommittees have held 32 meetings, including six meetings of the full Board and 26 subcommittee meetings, since the Board was appointed in April, 2000. The Board plans to meet quarterly in the future.

3. The Board's general operations appropriation is a biennial appropriation, therefore any unspent funds at the end of the biennium lapse to the tobacco control trust fund. Because only \$16,800 of the \$200,000 budgeted for 1999-00 was expended, a total of \$583,200 is available for expenditures in 2000-01 (\$183,200 carried over from 1999-00 and \$400,000 budgeted in 2000-01). Based on current projections, the Board will spend \$433,200 for general program operations in 2000-01. Therefore, a projected \$150,000 will lapse to the tobacco control fund at the end of the 1999-01 biennium. The amount of funding transferred from the general fund to the tobacco control fund in 2001-02 should be reduced by this amount to reflect these carryover funds.

4. The Board is attached to the Department of Health and Family Services (DHFS) for limited administrative functions, including budgeting, program coordination and related management functions. The Board rents space from DHFS and contracts with DHFS for professional services, such as computer and personnel services support for Board staff. DHFS has also been loaning 0.5 program assistant to provide some clerical support to the Board.

5. In "Best Practices for Comprehensive Tobacco Control Programs," the Centers for Disease Control and Prevention (CDC) recommends that 5% of grant funding, less evaluation, be used for state program administration and management to ensure collaboration and coordination among public health program managers, policymakers and other state agencies. Based on the state's grant level of \$20,808,000 annually, less \$1.5 million for evaluation, this would imply that the state should budget \$965,400 annually for program administration and management activities.

6. However, it is difficult to compare the Board's current or proposed staffing levels

with programs in other states because of the difference in how states administer their tobacco control programs. For example Minnesota budgets \$29.5 million for youth and adult tobacco control programs, including \$1.4 million and 36.0 staff for administration. However, Minnesota created a nonprofit organization to administer a portion of that state's tobacco control program. Therefore, it would seem reasonable that Minnesota's staffing requirements would be higher than the staffing requirements for Wisconsin's tobacco control program, where the Board is attached to an existing state agency for certain services. In addition, organizations that receive funding under Wisconsin's program may use up to 10% of those funds for administrative purposes. Therefore, while the Board is responsible for administering the overall tobacco control program and grants, the administration of the actual projects/programs in Wisconsin is borne by the agencies and organizations that receive the funds.

7. When the Board was created in Act 9, the manner in which the program would be implemented and related staffing needs were not known. Therefore, two positions were provided with a budget of \$200,000 in 1999-00 and \$400,000 in 2000-01. This level of funding has allowed the Board to contract for many services, including clerical support, communications, website development and maintenance and preparation of the annual report.

8. The Board has fulfilled many of its statutory duties - appointing an Executive Director, creating a tobacco control plan for the state, establishing a grant program, promulgating rules for program implementation, and contracting to provide a clearinghouse for tobacco-related information -- with its current staff and by relying on DHFS staff to perform support functions. Arguably, because these activities were one-time in nature, the Board's staff will now be better able to begin performing some of its ongoing functions, such as providing a forum for public policy alternatives and preparing an annual report.

If the Committee determines that the current staffing level for the Board, together with continued support by DHFS staff, is sufficient to meet the Board's needs, it could maintain the current staffing for the Board, rather than adopt the Governor's recommendations to provide 2.0 additional positions for the Board.

9. Now that the Board has begun to distribute grants, it has identified some specific, ongoing staffing needs. For instance, the statutes require performance-based standards for grants the Board awards for media efforts. To ensure accountability of the funds, the Board has extended performance-based standards to all entities that receive grants. While the policy of requiring performance-based standards should improve program outcomes, it also requires a greater level of staff assistance in negotiating criteria, fiscal monitoring to adjust award levels and follow-up with the recipients. In addition, the Board indicates that now that it is fully functional, permanent clerical support is needed to coordinate logistics for meetings, meeting materials, Board correspondence and contract paperwork, as well as to provide daily support for the Board's staff.

10. The bill would provide 1.0 contract specialist and 1.0 program assistant to address these identified needs. Most of the costs of these positions would be offset by reallocating \$60,000 in base funding that was provided to establish the program. If the positions are not approved, the \$60,000 would still be required so that the Board could continue to contract and borrow staff from

DHFS to perform these duties. Given that the positions could enhance the ability of the Board to effectively manage the tobacco control program, at a minimal additional cost due to the proposed funding reallocation, the Committee may wish to approve the additional staff recommended by the Governor.

11. In addition to the positions recommended by the Governor, the Executive Director identifies a need for 1.0 additional program and planning analyst position to perform the level of research and analysis needed to keep members up to date on the latest research, policy developments and best practice approaches in tobacco control around the nation. In addition, assistance is needed to provide better coordination of funded programs to ensure a comprehensive approach to tobacco control, as recommended by the CDC.

12. The Executive Director indicates that an additional program and planning analyst position would enhance the Board's ability to meet its statutory directive with regard to smoking cessation and prevention policy development. Without additional staff, the Board intends to contract for the preparation of policy documents on a number of issues that include an analysis of policies and practices in other states, current research and other information. The documents will be used as background for the Board to formulate its own policy statements. Contracting for the preparation of these documents could cost up to \$5,000 per report. While the Board can contract for these reports, permanent staff could be used more effectively to develop a research base on which the Board could rely upon for future related questions and research. The cost of providing 1.0 additional program and planning analyst would be \$44,900 in 2001-02 and \$49,000 in 2002-03, which would require a larger transfer of funds from the general fund to the segregated fund than would be required under the Governor's recommendations.

13. While the Board has provided some justification for additional staff, the staffing level provided under the bill would double existing staff. Therefore, the Committee may decide that it is not essential to provide additional staff, beyond the staff increase provided by the Governor, at this time.

14. The Committee may wish to consider reducing the size of the Board as a means of reducing the Board's operations budget. The 1999-01 biennial budget bill, as passed by the Legislature, provided for a 20-member Board, of which 13 nonpublic members were to be appointed by the Governor for three-year terms. The creation of the Board was based on a proposal from the Senate Committee on Human Services and Aging which included an 18-member "Health Trust Board." In the final biennial budget act, the Governor vetoed all language relating to the number of Board members, composition of the Board and terms of service. As a result, the Governor appoints the Board, but the statutes do not specify the number of Board members, their qualifications or their terms.

15. A 21-member Board was created by Governor Thompson on February 25, 2000, and another member was added in January, 2001. The current membership includes five doctors, five public officials, three students, public health officials and others. Members serve at the pleasure of the Governor, and additional members could be added at any time.

16. While it could be argued that it was desirable to have a large Board to provide input for the creation of a comprehensive tobacco control plan for the state, now that a plan has been implemented, the Board's size could be reduced.

17. The size of the Board directly and indirectly affects the staff and resources needed to support it. Reducing the size of the Board could alleviate some of the staffing needs identified by the Executive Director, particularly in terms of arranging meetings and Board correspondence. In addition, meeting and travel expenses directly related to the number of members could be reduced.

18. Under the bill, the Board's annual budget for supplies and services in the 2001-03 biennium would be \$166,900. The proposed budget includes a total of \$50,600 annually for travel and meeting expenses for Board members. These costs would increase if additional members are appointed by the Governor, and decrease if the number of Board members were reduced.

19. Six boards are currently attached to DHFS. All, except for the Tobacco Control Board, have limitations on the numbers of members, ranging from five members (the Independent Review Board) to 16 members (the Child Abuse and Neglect Prevention Board). Two of the boards have 11 members.

20. The Committee could limit Board membership and directly reduce related supplies and services costs, as follows: (a) 15 members (-\$16,100 annually); (b) 11 members (-\$25,300 annually); or (c) seven members (-\$34,500 annually).

21. If the Committee does not choose to reduce Board membership, it may want to consider setting a limit at the current membership level of 22. This would prohibit the Governor from appointing additional members, and increasing Board costs further.

22. The Committee may also want to consider including a provision to require some type of qualifications for the Board to ensure a level of expertise so that tobacco-related health concerns can be adequately addressed, regardless of the size of the Board. Therefore, the Committee could require that a majority of Tobacco Control Board members be professionals from health-related fields.

23. The revenue transfer in the 1999-01 biennium to the tobacco control fund was a one-time transfer. Because the Tobacco Control Board is considered a base agency for Joint Finance Committee deliberations, a vote must be taken to transfer revenue in 2001-03 to the tobacco control fund in order to fund 2001-03 Tobacco Control Board grants and operations.

ALTERNATIVES TO BASE

A. Staffing

1. Approve the Governor's recommendations to provide \$2,600 SEG in 2001-02 and \$11,400 SEG in 2002-03 and 2.0 SEG positions, beginning in 2001-02, to provide 1.0 contract

specialist and 1.0 program assistant. As part of this item, reduce LTE funding by \$50,000 annually and permanent property funding by \$10,000 annually to partially offset the cost of the positions.

Alternative A1	GPR	SEG	TOTAL
2001-03 REVENUE (Change to Base) [Change to Bill]	- \$713,600 \$0	\$713,600 \$0	\$0 \$0]
2001-03 FUNDING (Change to Base) [Change to Bill]	\$0 \$0	\$14,000 \$0	\$14,000 \$0]
2002-03 POSITIONS (Change to Base) [Change to Bill]	0.00 0.00	2.00 0.00	2.00 0.00]

2. Adopt the Governor's recommendations. In addition, provide \$44,900 SEG in 2001-02 and \$49,000 SEG in 2002-03 and 1.0 FTE for a program and planning analyst, beginning in 2001-02.

Alternative A2	GPR	SEG	TOTAL
2001-03 REVENUE (Change to Base) [Change to Bill]	- \$807,500 - \$93,900	\$807,500 \$93,900	\$0 \$0]
2001-03 FUNDING (Change to Base) [Change to Bill]	\$0 \$0	\$107,900 \$93,900	\$107,900 \$93,900]
2002-03 POSITIONS (Change to Base) [Change to Bill]	0.00 0.00	3.00 1.00	3.00 1.00]

3. Transfer \$50,000 annually in LTE funding and \$10,000 annually in permanent property to supplies and services to allow the Tobacco Control Board to continue to contract for assistance in administering the program, instead of providing additional positions.

Alternative A3	GPR	SEG	TOTAL
2001-03 REVENUE (Change to Base) [Change to Bill]	- \$699,600 \$14,000	\$699,600 - \$14,000	\$0 \$0]
2001-03 FUNDING (Change to Base) [Change to Bill]	\$0 \$0	\$0 - \$14,000	\$0 - \$14,000]
2002-03 POSITIONS (Change to Base) [Change to Bill]	0.00 0.00	0.00 - 2.00	0.00 - 2.00]

B. Tobacco Control Fund Balance -- Modification

Modify the Governor's recommendation by reducing the amount of GPR transferred from the general fund to the tobacco control fund by \$150,000 in 2001-02 to reflect that this amount of funding budgeted in the 1999-01 biennium is expected to lapse to the tobacco control fund at the end of the 2000-01 fiscal year.

<u>Modification</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 REVENUE (Change to Base)	\$150,000	- \$150,000	\$0
[Change to Bill]	\$150,000	- \$150,000	\$0]

C. Tobacco Control Board Membership and Supplies and Services Funding

1. Reduce funding by \$16,100 annually and limit the membership on the Tobacco Control Board to 15 members, effective beginning on the first day of the third month following the enactment of the bill.

<u>Alternative C1</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 REVENUE (Change to Base)	\$32,200	- \$32,200	\$0
[Change to Bill]	\$32,200	- \$32,200	\$0]
2001-03 FUNDING (Change to Base)	\$0	- \$32,200	\$0
[Change to Bill]	\$0	- \$32,200	\$0]

2. Reduce funding by \$25,300 annually and limit the membership on the Tobacco Control Board to 11 members, effective beginning on the first day of the third month following the enactment of the bill.

<u>Alternative C2</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 REVENUE (Change to Base)	\$50,600	- \$50,600	\$0
[Change to Bill]	\$50,600	- \$50,600	\$0]
2001-03 FUNDING (Change to Base)	\$0	- \$50,600	- \$50,600
[Change to Bill]	\$0	- \$50,600	- \$50,600]

3. Reduce funding by \$34,500 annually and limit membership on the Tobacco Control Board to seven members, effective beginning on the first day of the third month following the enactment of the bill.

<u>Alternative C3</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
2001-03 REVENUE (Change to Base)	\$69,000	- \$69,000	\$0
[Change to Bill]	\$69,000	- \$69,000	\$0]
2001-03 FUNDING (Change to Base)	\$0	- \$69,000	- \$69,000
[Change to Bill]	\$0	- \$69,000	- \$69,000]

4. Limit membership on the Tobacco Control Board to its current level of 22 members.

5. Take no action.

D. Board Qualifications

1. Specify that a majority of the members of the Board be professionals from health-related fields.

2. Take no action.

Prepared by: Carri Jakel

MO# A-1, B

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

A-1
B OK

C-1 (Corr 2)

D-1 (Gwen-2)

AYE 16 NO 0 ABS

TOBACCO CONTROL BOARD

Grant Funding for the Milwaukee County Sports Authority

[LFB Paper #880]

Motion:

Move to specify that \$500,000 SEG annually from tobacco control fund grants would be provided to the Milwaukee County Sports Authority for grants for community individuals and organizations seeking to provide sports activities targeted toward at-risk youths.

Note:

The Milwaukee County Sports Authority was created by Milwaukee County in 2000. The program focuses on youth ages six to 15, particularly females, who may not have the opportunity to participate in and benefit from organized aerobic sports. The goal of the program is to expose young people to positive physical and mental health activities, teach the fundamentals of a particular sport and build a healthier lifestyle, stressing the benefits of nutrition and negative aspects of smoking and drugs. The program, which provides grants of up to \$15,000 on a quarterly basis, is funded at \$200,000 by Milwaukee County. According to Milwaukee officials, the authority received requests for over \$625,000 for two of the four application periods so far this year.

Under the bill, \$20,808,000 annually would be appropriated for grants distributed by the Board. Of this funding, \$3.0 million in 2001-02 and \$3.5 million in 2002-03 would be earmarked for: (a) research, prevention and cessation activities conducted by the University of Wisconsin-Madison tobacco research and intervention center (\$1.0 million annually); (b) the Thomas T. Melvin youth tobacco prevention and education program (\$1.5 million in 2001-02 and \$2.0 million in 2002-03); and (c) tobacco use prevention and cessation activities at the Medical College of Wisconsin (\$500,000 annually). The remainder of the (\$17,808,000 in 2001-02 and \$17,308,000 in 2002-03) is available for grants for a variety of tobacco control activities.

This motion would increase the amount of tobacco control grant funds earmarked for specific purposes under the bill by \$500,000 annually to provide funding to the Milwaukee County Sports Authority. Funds available for competitive grants for tobacco control activities would be reduced by \$500,000 annually so that \$17,308,000 in 2001-02 and \$16,808,000 in 2002-03 would be available to fund competitive grants.

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 8 NO 8 ABS _____

Burke / Coggs?

motion

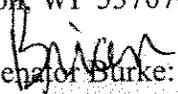
Rural Dental Health
Clinic motion - Decker

- Moore motion

Chairman: Health & Human Needs Committee
Committee Memberships: Judiciary, Safety and General Services
Intergovernmental Relations

March 23, 2001

State Senator Brian Burke
Room 316 S
P.O. Box 7882
Madison, WI 53707-7882

Dear Senator  Burke:

I am writing to seek your support for using a small portion of the state's designated anti-tobacco funds for a very positive initiative which has proven to be effective in steering at-risk youth away from tobacco, drug and alcohol abuse.

As you may know, Milwaukee County funds anti-tobacco programs such as Fighting Back and D.A.R.E., aimed at both adults and young people. Many of these programs are generally passive in nature and involve lectures and discussions. In 2000, Milwaukee County added a new and somewhat more unconventional program to the anti-tobacco, alcohol and drug mix and the effort has produced very positive results.

The Milwaukee County Sports Authority was created as part of the County's 2000 budget with \$225,000 in tax levy funds for the purpose of awarding grants to community individuals and organizations seeking to provide sports activities targeted toward at-risk youths. The focus is on youth ages 6 through 15, particularly females who may not have the opportunity to participate in and benefit from organized aerobic sports. The goal of the Sports Authority has been to expose these young people to positive physical and mental health activities, teach the fundamentals of a particular sport and build a healthier lifestyle. The benefits of nutrition and the negative aspects of smoking, drugs and alcohol are heavily emphasized. Tobacco is viewed as a gateway drug that opens the door to other substance abuse habits and is actively opposed. Through organized sports,

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the youth are also exposed to positive adult role models that can share their skills and experience in the value of education, positive behavior and self-discipline.

The County has contracted with the Milwaukee Foundation to refine guidelines, application procedures and policies, and to staff the Sports Authority. The Sports Authority itself is a seven-member advisory board which reviews and recommends for approval to the County Board and County Executive, for funding for grants to individuals and community organizations who meet the guidelines of the program. Grants of up to \$15,000 may be awarded, although they are typically in the \$5,000 to \$10,000 range. This funding may be used for registration fees, uniforms, transportation, pre-participation immunizations and/or physical exams, healthy lifestyle presentations, leadership/self-discipline activities, referees, equipment, facility rentals, coaching clinics, nutritious snacks, CPR and First Aid training or stipends for high school or college-age coaches.

The County continued its funding of the Sports Authority in the 2001 budget with an additional \$200,000 and while the program has been met with a positive response from the community, it has received far more applications for funding than can be met with our limited tax levy dollars. With only word of mouth advertising, the Sports Authority--which funds programs four times a year--has received over \$625,000 in requests in the last two application periods alone. That's why we need support from the state through the use of tobacco lawsuit dollars.

We are not asking for new money from the Legislature. We are asking that a small portion of the existing anti-tobacco dollars be used for this program. I can think of no better way to spend a portion of the State of Wisconsin's share of funding from the tobacco lawsuit settlement than on this program. Milwaukee County and the Sports Authority are so convinced of the effectiveness of this program in dramatically reducing tobacco use that we are asking the Medical College of Wisconsin--which has received tobacco-lawsuit funding to study anti-smoking programs--to evaluate and document its findings of our program.

If the Legislature were to commit \$1 million per year in tobacco funds to this program, I believe the benefits would be enormous. We have proof that kids in aerobic organized sport activities have extremely low smoking rates and also have substantially reduced drug and alcohol use. And if they don't smoke, they are far less likely to pursue other more intense and destructive drugs. We also know that kids involved in organized sports are less likely to display anti-social behavior, achieve better grades and in general develop more socially responsible lifestyles for the rest of their lives. They in turn are less susceptible to peer pressure, which may try to influence them in a negative way.

All these positive benefits make the Sports Authority a valuable program and one which is worthy of consideration for an allocation of state anti-tobacco funds. Sports Authority funding will reap rewards not only for the kids who participate in the sports programs, but for our larger community as well.

Our experience with kids in properly lead organized aerobic sports activities shows that it is rare for a kid to pick up smoking. Adult coaches discourage it and peers don't smoke, and a child learns quickly that smoking would interfere with the enjoyment of sports. Contrast this with the anti-smoking ads of the last decade: smoking among youth has risen steadily during those 10 years.

Thank you for considering this project and I look forward to speaking with you personally at greater length and more detail about it.

Sincerely,


Roger Quindel
County Supervisor, 18th District

I would really appreciate a few minutes of your time to discuss how to make this happen. Thanks —

Attachments: Milwaukee County Youth Sports Authority Advisory Board
Sports Authority Guidelines and Application Form
Recent Organizations or Individuals Funded by the Sports Authority
Axillary articles

MILWAUKEE COUNTY YOUTH SPORTS AUTHORITY

JOY ADAMS

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414-482-1597

DAVID BROZOVICH

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ROGER QUINDEL

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GUIDELINES FOR MILWAUKEE COUNTY SPORTS AUTHORITY FUNDING

PURPOSE

The Milwaukee County Executive and County Board of Supervisors have established the Milwaukee County Youth Sports Authority as an advisory group to the County Board, reporting to the Committee on Health and Human Needs and the full Board. The Sports Authority is composed of seven members, four appointed by the County Executive and three appointed by the County Board Chairman, with all members confirmed by the County Board.

The primary purpose of the Authority is to review and recommend to the County Board and County Executive funding for grants to community organizations seeking to provide sports activities targeted towards under-served youth. An emphasis will be on youth ages 6-15, and females who may not have the opportunity to participate in and benefit from organized, aerobic sports, while also promoting greater use of the Milwaukee County Park System.

Through these funds, the Sports Authority will support the involvement of youth in sports activities that promote positive physical and mental health. In addition to teaching the fundamentals of a particular sport, funded organizations will introduce healthier lifestyle concepts which include the benefits of balanced nutrition, the negative impact of smoking, drugs and alcohol, and the development of positive interpersonal behavior. It is also intended that participants will have the opportunity for social interaction within a structured environment and be exposed to positive role models who can share skills and experience in leadership and self-discipline. The Sports Authority will further serve as a catalyst to help individuals and community organizations in exploring new ways to address community youth-related concerns that result in a reduction in teen pregnancy, gang violence, drug abuse, etc.

In establishing this program, it was the intent of the County to provide seed dollars for grassroots organizations over the next three years. For this reason, it is expected that funded organizations will develop plans for long-term sustainability of their sports programs. They will also be required to identify and report on program outcomes, as well as document the use of Sports Authority funds.

The County Board of Supervisors has authorized the Division of County Health Programs, under the direction of Paula Lucey, RN, to enter into a contract with the Milwaukee Foundation, for the purpose of establishing guidelines, application procedures and policies, as well as recommendations for distribution of funds for the Youth Sports Authority - all of which are subject to the approval of the County Board and the County Executive.

Milwaukee County Sports Authority Grant Guidelines

ELIGIBILITY FOR GRANTS

Eligible applicants will include any nonprofit group, club or association located in Milwaukee County that seeks to provide sports activities for youth, with an emphasis on ages 6-15, and female participants.

Maximum size of grants will be \$15,000. Average grant size will be \$1,000-\$5,000.

PRIORITIES (Applicants must meet some or all of the following):

- Programs that target youth ages 6-15; females; under-served and/or inner-city youth
- Programs that promote a healthier lifestyle, including benefits of balanced nutrition; the negative impact of smoking, drugs and alcohol; and the development of positive interpersonal behavior and leadership skills.
- Programs with substantial volunteer support
- **New or expanded programs that will increase the number of youth involved in sports, particularly sports with low participation rates in under-served areas**
- Programs providing long-term plans for development and training of youth participants as coaches and/or referees

Other priority considerations

- Partnerships and collaborations among applicant agencies
- Projects or organizations for which other resources are not readily available

FUNDS MAY BE USED FOR:

- Registration fees
- Uniforms
- Transportation
- Pre-participation immunizations and/or physical examinations
- Healthy lifestyle presentations
- Leadership/self discipline activities
- Referees
- Equipment
- Facility Rentals (where there are no other alternatives for funding)
- Nutritious Snacks
- Coaches Clinics/Training
- CPR & First-Aid training for volunteers and participants, including recognizing warning signs of disease or injury
- Stipends for high school or college-age coaches

**Funds may not be used to pay coaches or administrative overhead.
A detailed budget shall be submitted as part of the application process.**

To: Groups interested in Youth Sports
Fr: Milwaukee County Sports Authority
Re: Request For Proposals
Date: December 7, 2000

Enclosed are the Grant Application and Guidelines for the Milwaukee County Sports Authority. Within the guidelines you will find information about the eligibility of applicants, funding priorities, and appropriate uses for Sports Authority funds. Please be sure to review the guidelines carefully.

Deadline for submission of one copy of the completed application is:

5:00 PM, Monday, January 8th, 2001

Applications should be submitted to:

**Milwaukee County Sports Authority
c/o Milwaukee Community Foundation
1020 N. Broadway, Suite 112
Milwaukee, WI 53202**

APPLICATION REVIEW PROCESS

Eligible organizations may request application materials from the Milwaukee Foundation by calling 414-272-5805.

The Milwaukee County Sports Authority will review applications four times per year.

Deadlines for submission of applications will be January 8th, April 1st, June 1st, and September 5th.

The Sports Authority will submit recommendations to the Milwaukee County Committee on Health and Human Needs, with final approval by the full County Board of Supervisors and the County Executive. Upon final approval, the Milwaukee Foundation will provide a grant agreement describing the grant conditions, reporting requirements, and payment schedule.

Feel free to share the Sports Authority guidelines and applications with other groups and organizations interested in youth sports. For more information contact David Gibbs at 272-5805.

H: prog/sports authority/Sports Auth. Coverletter

Milwaukee County Sports Authority
Application Form

Date Submitted _____
Name of Group _____
Contact person _____ Title _____
Address _____
City _____ Zip _____
Work Phone: _____ Home Phone: _____ Fax: _____ E-mail: _____

Amount Requested: _____ By what date are funds needed? _____
What are the months of your season? _____ What is
your group's total annual budget? _____

1. What is your group's primary purpose?

2. Is your request
 - a. Support of an existing program _____
 - b. Expansion of an existing program _____
 - c. A new program _____
 - d. Other (description) _____

3. For what sports activities are you requesting funding and what are the qualifications of your coach(es)?

4. In addition to sports activities, how do you propose to address key health issues (eg. benefits of balanced nutrition, negative effects of smoking, drugs and alcohol) and to develop the interpersonal and leadership skills of participants?

5. How would you describe the outcomes you hope to achieve with your program?

6. Approximately how long has your group been in existence? _____
7. How many youth are involved in your current activities? _____
What is their age range? _____
How many youth do you project will be involved if funding is provided? _____
8. How many of the participants in your current activities are females? _____
How many females do you project will be involved if funding is provided? _____
9. How do you plan to recruit the additional participants?
10. a. How many volunteers are involved in your program? _____
b. What roles do volunteers play in your program?
c. How do you plan to recruit and train volunteers:
d. How are volunteers screened for appropriateness with youth activities?
10. a.. Identify what other groups your group works with:
b. How is the work with these groups structured?
c. What are the goals and desired outcomes of this collaboration?
11. What are your plans for raising other funds for your program now and in the future? If the County funding were only for three years, what would happen?

Budget

Expenditures (please provide explanation of each item on separate page)

- Registration Fees _____
- Uniforms _____
- Transportation _____
- Immunizations/Physical Exams _____
- Referees _____
- Equipment _____
- Facility Rentals _____
- Nutritious Snacks _____
- Coaches' Clinics/Training _____
- CPR/First Aid training _____
- Stipends for youth coaches _____
- Speaker Fees _____
- Other (specify on separate page) _____
- TOTAL** _____

Revenue (please list all other sources of funds related to this request)

- Individual Contributions _____
- Sponsorships _____
- Fund Raising Event _____
- Government Grants _____
- Private Grants _____
- Participant Fees _____
- Concessions or other sales _____
- Other (specify on separate page) _____
- TOTAL** _____

of Participants _____
Cost/Participant\$ _____

(signature)

Sports Authority Board Distribution of Funds

Organization	February 2001	November 2000	July 2000
Al Moreland Boxing Club			\$7,000
Bay View Area Redcats		\$10,000	
Boys & Girls Clubs of Greater Milwaukee		\$5,000	
Club Deportivo Latino			\$3,000
Club 29 of Milwaukee, Inc.		\$4,500	
COA Youth and Family Centers (fiscal agent)			\$3,000
D.W. Wildcats Youth Development, Inc.	\$5,000		
Felix Mantilla Little League			\$8,000
Girl Scouts of Milwaukee Area, Inc.	\$10,000	\$7,050	
Golf Foundation of Wisconsin			\$3,000
Hooper's Club, Inc.	\$6,500		\$3,500
Journey House, Inc.	\$12,000		
Junior Cougar Wrestling Club			\$8,000
Keep Hoops Alive, Inc.			\$8,000
Lisbon Avenue Neighborhood Development		\$5,000	
Metro Milwaukee			\$3,200
Milwaukee Baseball School and All Sports Academy	\$10,000		
Milwaukee Bell/Audubon Wrestling Team			\$3,500
Milwaukee East Rivercats			\$10,000
Milwaukee Police Athletic League			\$5,000
Milwaukee Swish, Inc.			\$8,000
Milwaukee Tennis Classic Foundation (Marquette Academic Tennis Leadership)		\$5,000	
Milwaukee Times Newspaper (fiscal agent)			\$5,000
Nellie's Outreach Resource Initiative			
New Horizons Center After School Athletic Program	\$3,500	\$2,900	
Northcott Neighborhood House, Inc.			\$8,000
Northeast Milwaukee Little League	\$7,000		
Opportunities Industrialization Center of Greater Milwaukee	\$10,000		\$5,000
Parklawn YMCA		\$3,600	
Partnership Athletic Conference (PAC-8)			\$5,000
Project RESPECT, Inc.			\$5,000

Running Rebels Community Center		\$5,000	
Stay in the Game		\$4,000	
Southside Enrichment & Recreation Association		\$3,500	
T.H.E. L.I.G.H.T. Church			\$5,000
Teen Approach, Inc.			\$3,448
United Community Center		\$5,000	
Urban Ecology Center, Inc.	\$5,000		
Warning Allstar Rasslin' Club		\$3,500	
West Allis "Flyers" Track & Field Club			\$3,000
Wisconsin Correctional Service/Struck's Tae Kwon Do USA Inc.		\$3800	

TOBACCO CONTROL BOARD

LFB Summary Items for Which No Issue Paper Has Been Prepared

Item #	Title
1	Standard Budget Adjustments

LFB Summary Item to be Addressed in a Subsequent Paper

Item #	Title
4 (part)	Transfer to Tobacco Control Fund

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
WELCH	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
COGGS	Y	N	A

AYE 16 NO 5 ABS _____