

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>LRB Number</b> 17-2142/1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>Introduction Number</b> SB-002 (JR7)                    |                              |                                       |                                                                                                                                                                                           |                                               |
| <b>Description</b><br>treatment and diversion programs and making appropriations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                            |                              |                                       |                                                                                                                                                                                           |                                               |
| <b>Fiscal Effect</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                            |                              |                                       |                                                                                                                                                                                           |                                               |
| <b>State:</b><br><input type="checkbox"/> No State Fiscal Effect<br><input type="checkbox"/> Indeterminate<br><input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget<br><input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br><input checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs |                                                            |                              |                                       |                                                                                                                                                                                           |                                               |
| <b>Local:</b><br><input type="checkbox"/> No Local Government Costs<br><input type="checkbox"/> Indeterminate<br>1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory<br>2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue<br><input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                            |                                                            |                              |                                       |                                                                                                                                                                                           |                                               |
| <b>5. Types of Local Government Units Affected</b><br><input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others    0<br><input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts                                                                                                                                                                                                                                                                                                                       |                                                            |                              |                                       |                                                                                                                                                                                           |                                               |
| <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;"><b>Fund Sources Affected</b></td> <td style="width: 50%;"><b>Affected Ch. 20 Appropriations</b></td> </tr> <tr> <td> <input checked="" type="checkbox"/> GPR    <input type="checkbox"/> FED    <input type="checkbox"/> PRO    <input type="checkbox"/> PRS    <input type="checkbox"/> SEG    <input type="checkbox"/> SEGS         </td> <td>20.455 (2)(em), 20.455 (2)(en), 20.865 (4)(a)</td> </tr> </table>                                                                                                                                                  |                                                            | <b>Fund Sources Affected</b> | <b>Affected Ch. 20 Appropriations</b> | <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS | 20.455 (2)(em), 20.455 (2)(en), 20.865 (4)(a) |
| <b>Fund Sources Affected</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>Affected Ch. 20 Appropriations</b>                      |                              |                                       |                                                                                                                                                                                           |                                               |
| <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 20.455 (2)(em), 20.455 (2)(en), 20.865 (4)(a)              |                              |                                       |                                                                                                                                                                                           |                                               |
| <b>Agency/Prepared By</b><br>DOJ/ Michelle Gauger (608) 267-6714                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Authorized Signature</b><br>Lane Ruhland (608) 267-6714 | <b>Date</b><br>3/3/2017      |                                       |                                                                                                                                                                                           |                                               |

## Fiscal Estimate Narratives

DOJ 3/3/2017

|                                                                                  |                                  |                        |
|----------------------------------------------------------------------------------|----------------------------------|------------------------|
| LRB Number 17-2142/1                                                             | Introduction Number SB-002 (JR7) | Estimate Type Original |
| <b>Description</b><br>treatment and diversion programs and making appropriations |                                  |                        |

### Assumptions Used in Arriving at Fiscal Estimate

This bill provides \$2,000,000 GPR on a one-time basis in fiscal years (FY) 2017-18 and 2018-19 to fund grants to counties to establish and operate programs that provide alternatives to prosecution and incarceration for criminal offenders who abuse alcohol or other drugs. In addition, the bill provides \$150,000 GPR on a one-time basis in FY 2017-18 and 2018-19 to fund grants to expand such programs to additional counties in the state. Finally, the bill creates a new appropriation and provides \$261,000 GPR to the Joint Committee on Finance supplemental appropriation to fund a pilot program to divert nonviolent offenders to a treatment option. The department is required to submit a request and a proposed plan for the pilot program to the Joint Committee on Finance to release the supplemental funding under a 14-day passive review process. The bill repeals the new appropriation on July 1, 2019.

The Treatment Alternatives and Diversion (TAD) grant program funded by the Alternatives to Incarceration appropriation under §20.455 (2)(em) was created under 2005 Wisconsin Act 25 and was originally funded at \$755,000 PR per year. Funding for TAD program grants increased to \$1,046,400 per year starting in FY 2011-12 and to \$3,546,400 per year beginning in FY 2013-14. 2015 Wisconsin Act 388 provided an additional \$2,000,000 PR-S in one-time funding in FY 2016-17.

The TAD program was originally administered by the Office of Justice Assistance in the Department of Administration. In FY 2013-14, administration of the program was transferred to the Department of Justice and the amount of the grants were increased by \$2,500,000 per year, or 239 percent. The department was directed to reallocate 5.0 FTE positions within the agency to administer the additional grant awards.

The department estimates that it requires an additional 3.0 FTE positions to administer the \$2,000,000 increase in grant awards, which includes the provision of technical assistance and support to counties in planning, implementing and improving the performance and operations of new and expansion programs; monitoring program effectiveness, collecting statistical information, and publishing analytical findings to support continuing quality improvement; ensuring compliance with program requirements; and assisting counties to establish and operating local oversight committees. The positions include 1.0 full-time equivalent (FTE) Grants Specialist-Advanced, 1.0 FTE Research Analyst-Advanced and 1.0 FTE Program and Policy Analyst-Advanced budgeted at \$70,400 each per year. There will be additional administrative costs to implement and administer the pilot diversion program which are indeterminate as the design of the program has not been determined.

### Long-Range Fiscal Implications

Establishing new TAD programs requires substantial planning and coordination among a diverse array of public and private organizations. State statutes require TAD programs to be developed with input from and implemented in collaboration with circuit court judges, the district attorney, the state public defender, local law enforcement officials, county agencies responsible for providing social services, including services relating to alcohol and other drug addiction, child welfare, mental health, and the Wisconsin Works program, the departments of corrections, children and families, and health services, private social services agencies, and substance abuse treatment providers. TAD programs are designed to integrate all mental health services provided by state and local government agencies and other organizations and must incorporate a holistic treatment model that provides participants the services that may be needed, as determined under the program, to eliminate or reduce their use of alcohol or other drugs, improve their mental health, facilitate their gainful employment or enhanced education or training, provide them stable housing, facilitate family reunification, ensure payment of child support, and increase the payment of other court-ordered obligations. TAD programs require regular communication among a participant's substance

abuse treatment providers, other service providers, the case manager, and any person designated under the program to monitor the person's compliance with his or her obligations under the program and any probation, extended supervision, and parole agent assigned to the participant.

To support the extended planning, implementation and expansion timeline, statutes require grants to be awarded on a competitive basis for a five-year period, on a calendar year basis. A new competitive five-year grant cycle began January 2017. Because the funding for grants is provided on a one-time basis under this bill, additional funding of \$2,150,000 in FY 2019-20 and FY 2020-21 and \$150,000 in 2021-22 to fully fund the grants awarded under the current five-year grant cycle.

## Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

|                                                                                                                                                            |                                         |                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------------|
| <b>LRB Number</b> 17-2142/1                                                                                                                                | <b>Introduction Number</b> SB-002 (JR7) |                                                |
| <b>Description</b><br>treatment and diversion programs and making appropriations                                                                           |                                         |                                                |
| <b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>                                |                                         |                                                |
| <b>II. Annualized Costs:</b>                                                                                                                               |                                         |                                                |
|                                                                                                                                                            |                                         | <b>Annualized Fiscal Impact on funds from:</b> |
|                                                                                                                                                            |                                         | Increased Costs      Decreased Costs           |
| <b>A. State Costs by Category</b>                                                                                                                          |                                         |                                                |
| State Operations - Salaries and Fringes                                                                                                                    | \$196,200                               | \$                                             |
| (FTE Position Changes)                                                                                                                                     | (3.0 FTE)                               |                                                |
| State Operations - Other Costs                                                                                                                             | 15,000                                  |                                                |
| Local Assistance                                                                                                                                           | 2,411,000                               |                                                |
| Aids to Individuals or Organizations                                                                                                                       |                                         |                                                |
| <b>TOTAL State Costs by Category</b>                                                                                                                       | <b>\$2,622,200</b>                      | <b>\$</b>                                      |
| <b>B. State Costs by Source of Funds</b>                                                                                                                   |                                         |                                                |
| GPR                                                                                                                                                        | 2,622,200                               |                                                |
| FED                                                                                                                                                        |                                         |                                                |
| PRO/PRS                                                                                                                                                    |                                         |                                                |
| SEG/SEG-S                                                                                                                                                  |                                         |                                                |
| <b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b> |                                         |                                                |
|                                                                                                                                                            | Increased Rev                           | Decreased Rev                                  |
| GPR Taxes                                                                                                                                                  | \$                                      | \$                                             |
| GPR Earned                                                                                                                                                 |                                         |                                                |
| FED                                                                                                                                                        |                                         |                                                |
| PRO/PRS                                                                                                                                                    |                                         |                                                |
| SEG/SEG-S                                                                                                                                                  |                                         |                                                |
| <b>TOTAL State Revenues</b>                                                                                                                                | <b>\$</b>                               | <b>\$</b>                                      |
| <b>NET ANNUALIZED FISCAL IMPACT</b>                                                                                                                        |                                         |                                                |
|                                                                                                                                                            | <u>State</u>                            | <u>Local</u>                                   |
| NET CHANGE IN COSTS                                                                                                                                        | \$2,622,200                             | \$                                             |
| NET CHANGE IN REVENUE                                                                                                                                      | \$                                      | \$2,411,000                                    |
| <b>Agency/Prepared By</b>                                                                                                                                  |                                         |                                                |
| <b>Authorized Signature</b>                                                                                                                                |                                         | <b>Date</b>                                    |
| DOJ/ Michelle Gauger (608) 267-6714                                                                                                                        |                                         | Lane Ruhland (608) 267-6714                    |
|                                                                                                                                                            |                                         | 3/3/2017                                       |