



Legislative Fiscal Bureau

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

May 8, 2007

Joint Committee on Finance

Paper #884

Boys and Girls Clubs of Greater Milwaukee and Youth Summer Jobs Programs (DHFS -- Health and DWD -- Employment, Training, and Vocational Rehabilitation Programs)

Bill Agency

[LFB 2007-09 Budget Summary: Page 304, #1, Page 604, #13, and Page 605, #14]

CURRENT LAW

No provision.

GOVERNOR

From vital records fees paid to the Department of Health and Family Services (DHFS) provide the following: (a) \$250,000 PR annually to provide grants to the Boys and Girls Clubs of Greater Milwaukee to fund programs that improve the social, academic, and employment skills of youths who reside in first class cities; and (b) \$500,000 PR annually to fund youth summer jobs programs in first class cities. Milwaukee is the only first class city in the state. DHFS would transfer these vital records funds to the Department of Workforce Development (DWD), and DWD would administer these grants and programs.

These are new grants and programs with no base funding.

DISCUSSION POINTS

1. As part of the Governor's initiative to Grow Milwaukee for Wisconsin's Future, the Governor indicated his intent to invest in Milwaukee public schools and to reduce crime. As part of investing in Milwaukee public schools, \$500,000 over the 2007-09 biennium would be provided to

the Boys and Girls Clubs of Greater Milwaukee to support after school programs for more Milwaukee children, schools, and communities at school-based sites. As part of the effort to reduce crime, \$1 million over the 2007-09 biennium would be provided to the youth summer jobs program to create more than 450 jobs.

2. The Wisconsin Vital Records Office in DHFS is responsible for filing, preserving, protecting, changing, and issuing copies of birth, death, marriage, and divorce certificates for events that occur in Wisconsin. Various fees, set in the Wisconsin statutes, are charged for filing, changing, or obtaining copies of these certificates. The bill would increase several vital records fees, which would increase revenue by an estimated \$8.0 million in 2007-08 and \$8.6 million in 2008-09. This issue is discussed in a separate budget paper. From these revenues, the bill would provide \$250,000 annually to the Boys and Girls Clubs of Greater Milwaukee and \$500,000 annually to the youth summer jobs programs.

3. As noted above, funding for the Boys and Girls Clubs of Greater Milwaukee would support programs that improve the social, academic, and employment skills of youths in Milwaukee. The funding would be used for after-school programming in Milwaukee to improve the performance of Milwaukee youths in the Milwaukee public school system. Although not specifically provided for the Boys and Girls Clubs of Greater Milwaukee, the following table shows funding provided for the statewide Boys and Girls Clubs during the 2005-07 biennium, based on the most complete, recent information available.

Funding for Boys and Girls Clubs

| <u>Time Period</u> | <u>Agency</u> | <u>Funding Amount</u> |
|---------------------|--|-----------------------|
| Fiscal Year 2006-07 | Department of Administration | \$66,300 |
| Fiscal Year 2005-06 | Department of Corrections | 41,000 |
| Calendar Year 2007 | Department of Health and Family Services | 35,900 |
| Fiscal Year 2006-07 | Department of Workforce Development | 300,000 |
| Fiscal Year 2006-07 | Office of Justice Assistance | 347,600 |
| Fiscal Year 2005-06 | University of Wisconsin-Extension | 4,400 |

In addition, counties may use their community aids allocations to provide funding to the Boys and Girls Clubs, but DHFS does not collect this information. Also, school districts may contract with the Boys and Girls Clubs for after-school programming, but the Department of Public Instruction does not collect information on the amount of funding associated with such contracts. Finally, SB 40 would also provide an additional \$50,000 annually in temporary assistance for needy families (TANF) block grant funding for the Boys and Girls Clubs, for a total of \$350,000 per year from DWD.

4. Given the amount of funding provided to the Boys and Girls Clubs, the Committee could delete the provision to provide \$250,000 annually from vital records fees to the Boys and Girls Clubs of Greater Milwaukee. As a result, more funding could be available for other programs

that face a funding shortfall in the 2007-09 biennium, such as child support or the child care program.

5. In July and August of 2006, the City of Milwaukee designed a program to provide employment positions for Milwaukee youth between the ages of 16 and 20. During this time period, the program served 435 youths within 84 faith-based and non-profit agencies, which include community centers, social services agencies, arts and environmental groups, churches, and private schools. The majority of youth participants lived in areas of high poverty and crime.

6. Position opportunities for youth participants included: (a) day care assistant; (b) summer day camp helper; (c) Milwaukee River clean-up; (d) food service helper; (e) fire safety education; (f) office/clerical; (g) tutoring; (h) buildings and grounds maintenance; and (i) performance troupe. The youth participants were paid \$6.50 per hour for a collective 48,225 hours of work experience.

7. DWD provided \$500,000 for a demonstration grant in federal Workforce Investment Act (WIA) funding to the City of Milwaukee to implement the youth summer jobs program in 2006. Of this amount, \$435,000 was actually expended. This was one-time funding from \$1 million in WIA funding that was set aside for distressed communities as part of the Governor's Grow Wisconsin plan. These funds are no longer set aside. The bill would provide \$500,000 annually to continue and expand the program to employ Milwaukee youth and reduce crime.

8. The Committee could delete this provision, which would necessitate the City of Milwaukee to either discontinue the program or find alternative funding. At the state level, more funding could be available for other programs that face a funding shortfall in the 2007-09 biennium, such as child support or the child care program. However, the City of Milwaukee has argued that it is more cost effective to invest in a youth worker, instilling employable jobs skills and work ethic, than to leave them fend for themselves over the summer with no direction.

9. The Committee may determine that it is inappropriate to use vital records fees, to fund these programs, since: (a) the priority use of the fee revenue should be the state's vital records program; and (b) while fees are paid by all Wisconsin residents, the programs' benefits would primarily accrue to a single geographic area (the City of Milwaukee). Instead, the Committee could provide \$250,000 GPR annually for the Boys and Girls Clubs of Greater Milwaukee and \$500,000 GPR annually for the youth summer jobs program in Milwaukee.

10. As noted, under the bill, DHFS would transfer vital records funding to DWD to provide grants to the Boys and Girls Clubs of Greater Milwaukee and to fund the youth summer job programs in first class cities. DWD, in turn, would simply provide the funding to the City of Milwaukee through grants to the Boys and Girls Clubs of Greater Milwaukee and funding for the youth summer jobs program. The Committee could require DHFS, rather than DWD, to provide grants directly to the Boys and Girls Clubs of Greater Milwaukee and funding for the youth summer jobs program in Milwaukee, rather than requiring the transfer to DWD to transfer the funds to the City of Milwaukee.

11. Finally, the Committee must weigh its desire to support this initiative with state funds with the Governor's proposed increases in vital records fees, which are discussed in another paper. The Committee's decision regarding the Governor's proposed increases in vital records fees would determine the availability of vital records fee revenue to support this initiative.

ALTERNATIVES TO BILL

1a. Approve the Governor's recommendation to provide \$250,000 PR annually from vital records fees to the Boys and Girls Clubs of Greater Milwaukee.

| ALT 1a | Change to Bill Funding | Change to Base Funding |
|---------------|-----------------------------------|-----------------------------------|
| PR | \$0 | \$500,000 |

1b. Approve the Governor's recommendation to provide \$500,000 PR annually from vital records fees to the youth summer jobs program in Milwaukee.

| ALT 1b | Change to Bill Funding | Change to Base Funding |
|---------------|-----------------------------------|-----------------------------------|
| PR | \$0 | \$1,000,000 |

2a. Modify the Governor's recommendation to provide \$250,000 GPR annually to the Boys and Girls Clubs of Greater Milwaukee. Compared to the bill, reduce \$250,000 PR annually that would have been provided from vital records fees.

| ALT 2a | Change to Bill Funding | Change to Base Funding |
|---------------|-----------------------------------|-----------------------------------|
| GPR | \$500,000 | \$500,000 |
| PR | <u>- 500,000</u> | <u>0</u> |
| Total | \$0 | \$500,000 |

2b. Modify the Governor's recommendation to provide \$500,000 GPR annually to the youth summer jobs program in Milwaukee. Compared to the bill, reduce \$500,000 PR annually that would have been provided from vital records fees.

| ALT 2b | Change to Bill Funding | Change to Base Funding |
|---------------|-----------------------------------|-----------------------------------|
| GPR | \$1,000,000 | \$1,000,000 |
| PR | <u>- 1,000,000</u> | <u>0</u> |
| Total | \$0 | \$1,000,000 |

3a. Delete provision related to the Boys and Girls Clubs of Greater Milwaukee.

| ALT 3a | Change to Bill Funding | Change to Base Funding |
|---------------|-----------------------------------|-----------------------------------|
| PR | -\$500,000 | \$0 |

3b. Delete provision related to the youth summer jobs program in Milwaukee.

| ALT 3b | Change to Bill Funding | Change to Base Funding |
|---------------|-----------------------------------|-----------------------------------|
| PR | -\$1,000,000 | \$0 |

4. Modify the Governor's recommendation to require DHFS, rather than DWD, to provide funds to the Boys and Girls Clubs of Greater Milwaukee and to the youth summer jobs program in Milwaukee.

Prepared by: Kim Swissdorf