Administration

General Agency Provisions

(LFB Budget Summary Document: Page 21)

LFB Summary Items for Which an Issue Paper Has Been Prepared

Item #	Title
1	Standard Budget Adjustments (Paper #100)
3	Census Appropriation Creation (Paper #101)
4 & 5	Modify TEACH Program and Transfer Federal Funds (Paper #102)
6	Modify Appropriation Authority for Risk Management (Paper #103)
7	Procurement and Risk Appropriation Creation (Paper #104)
9	Transfer Administration of Document Sales Program within DOA (Paper #105)

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May, 2019 | Joint Committee on Finance | Paper #100

Standard Budget Adjustments
(Administration -- General Agency Provisions)

[LFB 2019-21 Budget Summary: Page 21, #1]

CURRENT LAW

Adjusted base funding for the Department of Administration totals $1,007,313,600 and 1,474.42 positions, including $430,469,500 GPR and 63.72 GPR positions, $140,229,800 FED and 62.15 FED positions, $380,127,500 PR and 1,334.80 PR positions, and $56,486,800 SEG and 13.75 SEG positions. Each biennium, the budget bill makes a series of routine adjustments to agency base budgets to account for expected changes in continuing costs. One such adjustment provides for the removal of non-continuing elements from the base.

GOVERNOR

Provide standard budget adjustments to the base totaling $41,100 GPR, $342,100 FED, -$632,100 PR, and $23,200 SEG, and -1.0 FED position in 2019-20 and $62,100 GPR, $348,700 FED, -$328,700 PR, and $25,800 SEG, and -1.0 FED position in 2020-21. Adjustments include -$86,000 FED and -1.0 FED position annually to remove non-continuing elements from the base.

MODIFICATION

Eliminate $1,040,800 SEG and 1.0 SEG position in 2020-21 to reflect the removal of non-continuing elements from the base.

> **Explanation:** The calculation utilized in the agency budget request and the administration's recommendation inadvertently did not remove funding for the diesel truck idling reduction grant program in 2020-21. Under current law, the program is scheduled to sunset on June 30, 2020, for grant funds and December 31, 2021, for program administration.

	Change to Base		Change to Bill	
	Funding	**Positions**	**Funding**	**Positions**
SEG	- $1,040,800	- 1.00	- $1,040,800	- 1.00

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May, 2019 Joint Committee on Finance Paper #101

Census Appropriation Creation
(Administration -- General Agency Provisions)

[LFB 2019-21 Budget Summary: Page 22, #3]

CURRENT LAW

The Department of Administration's (DOA) Division of Intergovernmental Relations (DIR) provides services related to land use planning, land information and records modernization, municipal boundary review, plat review, coastal management programs, and demography. The Division also assists with the utilization of U.S. Census Bureau data and the development of annual population estimates. The Division's operating budget for 2018-19 is $14,258,600 ($871,200 GPR, $5,575,900 FED, $424,000 PR, and $7,387,500 SEG) and 20.5 positions (5.77 GPR, 4.65 FED, 6.73 PR, and 3.35 SEG).

GOVERNOR

Create a biennial GPR appropriation under DOA's supervision and management program for census activities. Provide one-time financing of $1,000,000 GPR in 2019-20 for activities and preparation related to the 2020 U.S. census.

DISCUSSION POINTS

1. The U.S. Census Bureau is overseen by the U.S. Department of Commerce. Every 10 years ending in zero, the Census Bureau counts where each resident lives through a constitutionally required process referred to as the decennial census. The next decennial census is scheduled for April 1, 2020. Every household will have the option of responding to the 2020 census online, by mail, or by phone. The 2020 census will be the first decennial census in which respondents can answer online.

2. The results of the decennial census determine the number of seats for each state in the U.S. House of Representatives, are used to draw congressional and state legislative districts, and determine the distribution of more than $675 billion in federal funds each year. A 2018 study by George Washington University reported that Wisconsin received $12.6 billion in 2015-16 through 55 federal programs that allocate funds based on census data. Federal programs with funding distributions based on census data include transportation programs (such as highway planning and construction) and social services programs (such as the medical assistance program, federal direct student loans, and the supplemental nutrition assistance program).

3. Under 1989 Act 31, $68,400 GPR and 1.0 GPR project position was provided to DOA to assist with the preparation of the 1990 census. Under 1999 Act 9, $250,000 GPR and 1.0 GPR project position was provided to conduct a statewide program to educate the public concerning the 2000 census. Further, Act 9 provided $600,000 GPR in a biennial appropriation for census education and assistance grants. The appropriation sunset in 2001, at the end of the biennium. No state funding was provided for the 2010 decennial census. Base funding for the 2019-21 biennium does not include amounts to support the 2020 decennial census.

4. A low response rate in 2020 could limit the amount of federal funds provided to Wisconsin during the subsequent decade. For example, the George Washington University study estimated that Wisconsin has lost $1,338 per capita annually since 2010 from U.S. Department of Health and Human Services programs because the state's population was undercounted during the 2010 census. Further, it has been cautioned that the 2020 census could be the target of attempted hacking and disinformation campaigns, which could reduce public trust and lower participation rates.

5. Given the potential challenges and importance of obtaining an accurate count in 2020, several states have provided resources for census education. Table 1 below shows authorized (enacted) amounts for 2020 census outreach for each state that has authorized funds for census outreach, as reported by the National Conference of State Legislatures. Pending legislation in eight other states (Alabama, Alaska, Arizona, Colorado, Indiana, New Jersey, New Mexico, and New York) would authorize funding for census outreach in those states.

TABLE 1

2020 Census Outreach Allocations

State	Total Authorized for 2020 Census Outreach	Spending per Capita
California	$100,300,000	$2.47
Maryland	5,000,000	0.81
Georgia	2,251,000	0.21
Wisconsin (Proposed)	1,000,000	0.17
Illinois	1,500,000	0.12
Minnesota	380,000	0.07
Washington	464,000	0.06
Michigan	500,000	0.05
Oregon	230,800	0.05
Virginia	115,000	0.01

6. The administration indicates that with funding provided under the bill, outreach efforts in Wisconsin would focus on hard-to-count (HTC) residents, described by the Census Bureau as residents who are difficult to locate, contact, persuade to participate, or interview. For example, residents in rural areas without traditional addresses do not receive questionnaires by mail. Other individuals may be difficult to count because they lack internet access, are suspicious of the government, or are highly mobile. According to the administration, approximately 613,700 Wisconsin residents lived in HTC areas during the 2010 census (217,100 lived in areas that did not receive a 2010 census questionnaire by mail, and 396,600 lived in areas where less than 75% of residents submitted the census questionnaire). The attached map shows 2010 census response rates by mail for each county.

7. The amount requested ($1,000,000) is based on the administration's calculation that outreach to approximately 500,000 HTC residents would cost $2 per person. Based on 2010 response rates and a cost of $2 per person, outreach to residents in HTC areas is estimated to cost in the range of $793,200 to $1,227,400 in 2020 (to support outreach to between 396,600 and 613,700 residents). The administration indicates that it selected the midpoint of this estimation for its recommendation ($1,000,000).

8. To assist with the 2020 census, the Census Bureau recommends that Wisconsin create a Complete Count Committee (CCC), comprised of tribal, state, and local governments and community leaders. The Committee would "utilize local knowledge, influence, and resources to educate communities and promote the census through locally based, targeted outreach efforts." Potential initiatives include: (a) establishing kiosks where residents can submit their responses online, located at post offices, schools, libraries, and recreation centers; (b) partnering with philanthropic and non-profit organizations to fund their efforts; (c) coordinating with volunteers to conduct outreach in targeted neighborhoods; and (d) partnering with social service agencies or caseworkers to establish a dialogue with their clients. According to the Census Bureau, CCCs have been established in 44 states to date.

9. Under the Governor's proposal, DIR would be responsible for: (a) establishing the CCC; (b) coordinating with the Census Bureau, local units of government, and other organizations; and (c) dispersing the funds for outreach to HTC populations.

10. The Committee could decide that establishing a CCC and providing state funds would assist the Census Bureau with accurately measuring the state's population, thereby maximizing federal funding to the state and helping ensure that each resident has equal representation in government. Further, creating an appropriation for census outreach would allow for a detailed accounting of expenditures. Therefore, the Committee could approve the Governor's recommendation to create a biennial appropriation for census outreach and to provide one-time funding of $1,000,000 GPR in 2019-20. [Alternative 1]

11. The administration's calculation is based on a Fiscal Policy Institute study that provided three levels of outreach to HTC individuals to encourage census participation. Basic outreach, provided to 85% of HTC residents, cost an estimated $2 per person and included public forums and educational materials distributed by community groups. Moderate outreach, provided to 10% of HTC residents, cost $25 per person and included multiple discussions in group settings. Intense outreach,

provided to 5% of HTC residents, cost an estimated $75 per person and included individual outreach to homeless residents, residents without Internet access, and other difficult to contact individuals. The Governor's recommendation is to provide only basic outreach to 100% of HTC residents. However, because residents do not participate in the census for a variety of reasons, it could be argued that outreach efforts should be targeted and budgeted accordingly. For example, outreach efforts in rural areas may differ in content and cost from those in urban areas because the geographical distribution of residents may require more individualized outreach in rural areas. If the Committee were to follow the Fiscal Policy Institute's guide to encourage maximum participation, one-time funding of $4.9 million would be required. This is calculated in Table 2 below.

TABLE 2

Cost of Targeted Outreach to Wisconsin Residents, 2020 Decennial Census

Type of Outreach	Number of HTC Residents	Cost of Outreach
Basic	521,600	$1,043,200
Moderate	61,400	1,535,000
Intense	30,700	2,302,500
Total	613,700	$4,880,700

12. Given that providing different levels of outreach could result in greater participation compared to providing basic outreach to all HTC residents, the Committee could decide to provide one-time funding of $1,933,500 GPR to provide basic outreach to 583,000 residents (at a cost of $2 per person) and moderate outreach to 30,700 residents (at a cost of $25 per person). [Alternative 2] Under this alternative, census spending per capita in Wisconsin would total $0.33.

13. While the administration has provided information on potential activities, exact programming and allocations would be determined by DIR with the assistance of the CCC. In addition, any approved funds would need to be distributed early in 2019-20, given that outreach would occur prior to the 2020 census. Given the uncertainty of planned activities and the timeliness of census outreach, the Committee could modify the Governor's recommendation to provide one-time financing of $500,000 GPR in 2019-20 and a reserve of $500,000 GPR in the Joint Committee on Finance's supplemental appropriation. The Department could request the payment of reserved funds through a 14-day passive review process with the submission of further details on funding allocations. [Alternative 3]

14. In two of the three previous decennial censuses, the state provided a project position to assist with outreach. Further, census education is beyond the current responsibilities of DOA staff. The administration indicates, "it is unknown if the department would have sufficient capacity to take on additional work related to census activities" given current position authority.

15. While funding provided in the Governor's recommendation would allow DOA to employ a limited term employee (LTE) for census outreach, it could be argued that allocating a full-

time project position would provide oversight to ensure funds are allocated efficiently and effectively. Statutorily, LTEs are only allowed to work 1,040 hours per year. Therefore, the Committee could modify the proposal to provide: (a) 1.0 GPR project position for a two-year term under DIR; (b) $38,500 GPR for salaries and fringe benefits in 2019-20; and (c) $51,300 GPR for salaries and fringe benefits in 2020-21. The project position could assist with the establishment of the CCC, the development of activities, the review of expenditure proposals, and the monitoring of expenses. [Alternative 4]

16. It could, however, be argued that the federal government is responsible for accurately counting all Wisconsin residents without state support. Given that the state is not required to assist with the decennial census process, the Committee could take no action, thereby providing no expenditure or position authority for 2020 census outreach [Alternative 5]. This would be similar to the state's treatment of the 2010 decennial census.

ALTERNATIVES

1. Approve the Governor's recommendation to create a biennial GPR appropriation under DOA's supervision and management program for census activities and to provide one-time financing of $1,000,000 GPR in 2019-20 for activities and preparation related to the 2020 decennial census. [This alternative may be selected in addition to Alternative 4.]

ALT 1	**Change to**	
	Base	**Bill**
GPR	$1,000,000	$0

2. Create a biennial GPR appropriation under DOA's supervision and management program for census activities. Modify the provision to provide one-time financing of $1,933,500 GPR in 2019-20 for activities and preparation related to the 2020 decennial census. [This alternative may be selected in addition to Alternative 4.]

ALT 2	**Change to**	
	Base	**Bill**
GPR	$1,933,500	$1,933,500

3. Create a biennial GPR appropriation under DOA's supervision and management program for census activities. Modify the provision to provide one-time financing of $500,000 GPR in 2019-20 and reserve $500,000 GPR in the Joint Committee on Finance's supplemental appropriation for census outreach. The Department may request payment of the reserve through a 14-day passive review process. [This alternative may be selected in addition to Alternative 4.]

ALT 3	Change to Base	Change to Bill
GPR	$1,000,000	$0

4. Modify the provision to provide 1.0 GPR project position for a two-year term, $38,500 GPR for salaries and fringe benefits in 2019-20, and $51,300 GPR for salaries and fringe benefits in 2020-21. [This alternative may be selected in addition to Alternative 1, 2, or 3.]

ALT 4	Change to Base		Change to Bill	
	Funding	Positions	Funding	Positions
GPR	$89,800	1.00	$89,800	1.00

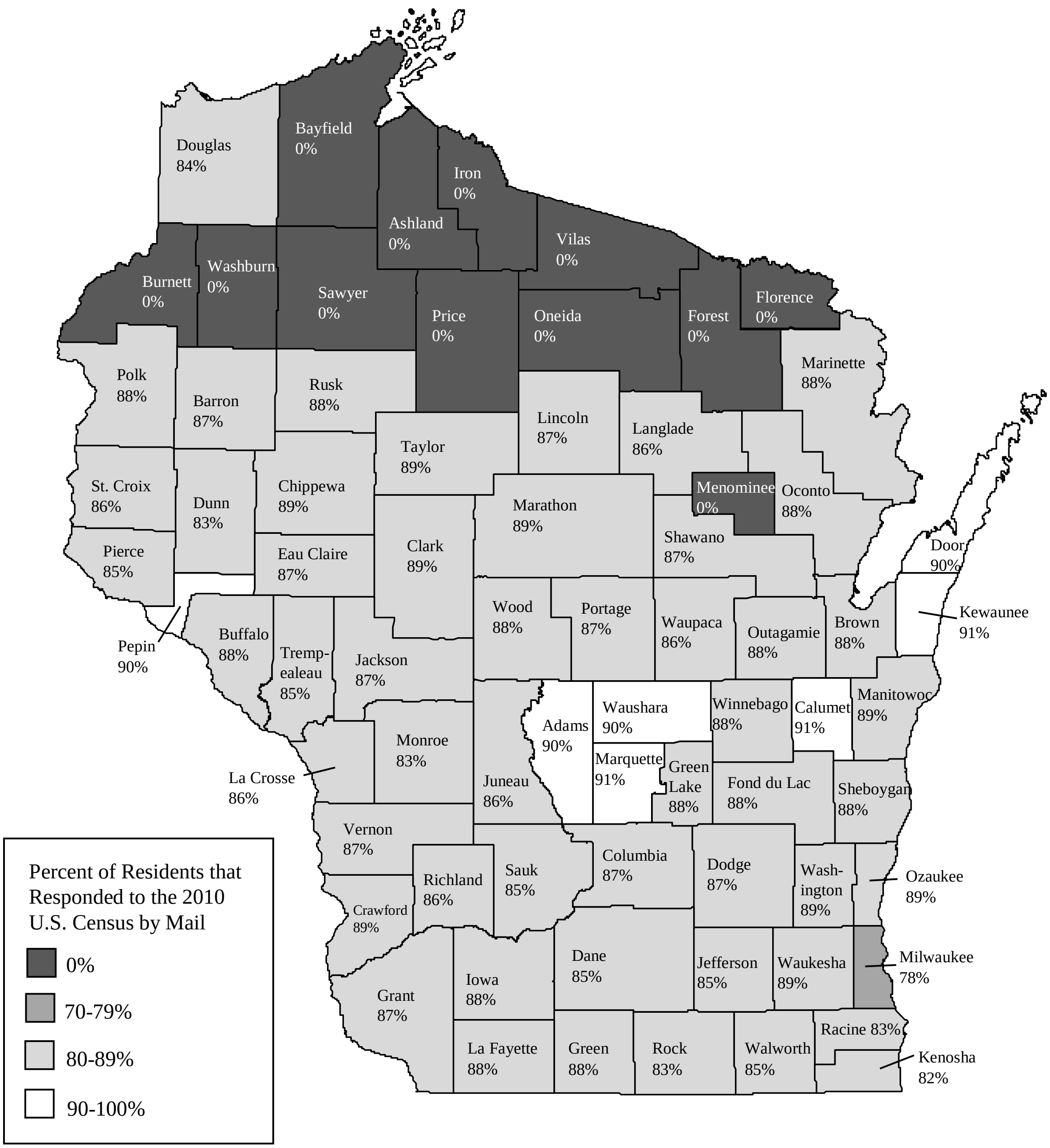
5. Take no action.

ALT 5	Change to Base	Change to Bill
GPR	$0	- $1,000,000

Prepared by: Angela Miller
Attachment

ATTACHMENT

Response Rates by Mail
2010 Decennial Census



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May, 2019 Joint Committee on Finance Paper #102

Modify TEACH Program and Transfer Federal Funds (Administration -- General Agency Providers)

[LFB 2019-21 Budget Summary: Page 22, #4 and Page 23, #5]

CURRENT LAW

The Department of Administration (DOA) is responsible for administering the Technology for Educational Achievement (TEACH) program, which serves eligible educational entities by providing: (a) access to the Internet and two-way interactive video services through rate discounts and subsidized installation of data lines and video links; (b) information technology (IT) infrastructure grants ($7.5 million annually); (c) grants for training teachers and librarians on the use of educational technology ($1.5 million annually); and (d) curriculum grants to a consortium of school districts to develop and implement a technology-enhanced high school curriculum ($25,000 annually). Public school districts, private schools, cooperative educational service agencies, technical college districts, charter school sponsors, juvenile correctional facilities, private and tribal colleges, public museums, and public libraries are eligible for funding under this program. State funding is provided through the segregated universal service fund (USF), which receives its funding through assessments on annual gross operating revenues from intrastate telecommunications providers. Base funding for the state-funded TEACH appropriation is $15,984,200 SEG.

If funds from the USF are insufficient for the TEACH program, federal e-rate reimbursement monies may be utilized for certain expenses, to the extent revenue is available. The federal e-rate appropriation under DOA, which receives federal aid as reimbursement for a percentage of eligible telecommunications expenses for schools and libraries, is used to: (a) make payments on behalf of TEACH customers to telecommunications providers that are not covered by USF moneys; (b) pay administrative expenses relating to receipt and disbursement of e-rate revenue; and (c) pay down remaining debt from expenses prior to 2003-04 to finance educational technology infrastructure.

GOVERNOR

Reduce funding for the TEACH program by $6,025,000 SEG annually.

Modify program eligibility and grant awards as follows:

Educational Telecommunications Access Program. Specify that DOA may not charge educational agencies more than $100 per month for each data line that operates at a speed of 1 gigabyte per second, rather than 1.544 megabits per second. Eliminate references to video links under the TEACH program.

IT Infrastructure Grants. Extend the July 1, 2019, sunset date for the IT infrastructure grant program to June 30, 2021. Limit the maximum amount that DOA may award in each year to rural school districts and public libraries to improve IT infrastructure to $3,000,000. Specify that a school district's eligibility is based on membership in the most recent school year for which finalized data is available, instead of membership in the previous year. Further, specify that grant awards for public libraries, library branches, and school districts are based on the applicant's population in the first year of a fiscal biennium. Limit eligibility for public libraries and library branches to those that are located in rural territories, defined under the bill as "any territory, population, and housing units located outside urbanized areas or urban clusters." [Under current law, a location is considered a rural territory if it is defined by the U.S. Census Bureau as such. Current eligibility is further limited by the location's distance from an urbanized area or urban cluster.] Specify that a consortium of public libraries or a public library system is eligible if it contains three or more eligible public libraries or library branches and it applies for a grant.

Educational Technology Training Grants. Eliminate the educational technology training grant program, which provides funding to eligible consortia of school districts, public libraries, and public library systems to train teachers and librarians to use educational technology.

Curriculum Grants. Eliminate curriculum grants to develop and implement a technology-enhanced high school curriculum.

E-Rate Transfer for Broadband Grants. Transfer $24,200,000 FED ($6,900,000 in 2019-20 and $17,300,000 in 2020-21) from DOA's federal e-rate aid appropriation to the USF, administered by the Public Service Commission. Transferred funds are intended for broadband expansion grants to construct broadband infrastructure in underserved areas.

DISCUSSION POINTS

Educational Telecommunications Access Program

1. Under current law, the TEACH program provides eligible entities access to the Internet and two-way interactive video services through rate discounts and subsidized installation of data lines and video links. For participants in the TEACH program, the difference between the cost to provide telecommunications access and the participant's monthly payment to the state is paid for by DOA with funding from the USF. If funding from the USF is insufficient for this purpose, federal e-rate

funds may be utilized, to the extent revenue is available. In 2017-18, expenditures for all components of the TEACH program totaled $19,320,700 ($11,418,900 SEG from the USF and $7,883,800 FED from federal e-rate funds).

2. Under the bill as introduced, funding authority for the TEACH program would be reduced by $6,025,000 SEG annually. Remaining expenditure authority would total $9,959,200 SEG annually. However, the administration indicates that it intended to reduce the amount of funding allocated for TEACH grants while maintaining total expenditure authority for the program, thereby increasing the amount available for subsidized Internet access. The Department indicates that, under the bill as introduced, it may be unable to meet program obligations. The effect of this is a $0 SEG annual change to the base and a $6,025,000 SEG annual change to the bill.

3. Under current law, an approved applicant's monthly payments to the state may not exceed $100 per month for each data line or video link that relies on a transport medium operating at a speed of 1.544 megabits per second or less, and may not exceed $250 per month for each data line or video link that operates at a higher speed. However, as the program is currently administered, monthly payments of $100 and $250 cover up to 100 megabits and 1 gigabit per second, respectively. The Governor's recommendation would further increase the speed covered by the $100 fee in statute, from 1.544 megabits per second to 1 gigabyte per second (approximately 5,000 times the current statutory speed). According to the administration, the covered speed increase is intended to "align the fees with the service available and to provide an incentive to eligible entities to receive service" through the TEACH program. The administration estimates that the rate change would reduce fee revenue by $500,000 annually (from $1,200,000 to $700,000). Under the proposal, approximately 280 customers would experience a fee decrease from $250 to $100 per month.

4. The Department indicates that fee revenues are applied as a refund of expenditures, thereby increasing the amount that can be spent from the USF appropriation for the TEACH program. Therefore, to the extent that the rate decrease results in a loss of fee revenues, the reduction in rates could reduce the amount that can be spent overall to support the program. On the other hand, the lower rates may incentivize participation in the program, thereby increasing available fee revenues and spending for the program. To encourage participation, the Committee could approve the Governor's proposal to limit charges to no more than $100 per month for each data line that operates at a speed of 1 gigabyte per second, rather than 1.544 megabits per second. [Alternative A1] However, it should be noted that DOA currently has the authority to implement the change administratively. Therefore, the Committee could instead decide to take no action, thereby maintaining the current rates in statute. [Alternative A2]

5. In 2017-18, the TEACH program provided approximately $612,700 to subsidize video links at 191 public school sites. However, the administration indicates that, due to changes in technology, audiovisual communication capacity is now available through data lines and no longer needs to be provided separately. Therefore, the Governor recommends removing references to video links from the program's statutes. The Committee could approve the Governor's proposal to eliminate the authority to subsidize video links under the TEACH program. [Alternative A3]

6. On the other hand, current statutory language permits but does not require DOA to provide separate service for video links and data lines. The Department indicates that it will no longer

offer separate service for video links because the capacity for video communication is now included in data lines. Given that the proposed change would not affect program administration, the Committee could take no action and maintain current statutory language. This alternative may be selected in addition to Alternative A1 or A2. [Alternative A4]

IT Infrastructure Grant Awards

7. The Department provides competitive block grants for IT infrastructure to rural school districts, public libraries, and library branches. Infrastructure grants were first provided under 2015 Act 55, with a sunset date of June 30, 2017. Under 2017 Act 59, the grant program was reauthorized for the 2017-19 biennium, with a sunset date of July 1, 2019. The administration argues that extending the sunset to June 30, 2021, "will allow eligible entities to apply and meet continuing needs" while prompting "a review of spending priorities in each biennium." Given the precedent of extending the infrastructure grant program, the Committee could approve the Governor's proposal to extend the sunset. [Alternative B1] Alternatively, the Committee could take no action, thereby allowing the grant program to sunset on July 1, 2019. [Alternative B2]

8. In 2017-18, the TEACH program awarded infrastructure grants totaling $7,823,700 to 251 school districts and 24 libraries. In 2018-19, DOA may award up to $7,500,000 annually for infrastructure grants. However, based on the parameters of grant awards, 435 entities are eligible in 2018-19 to apply for grants totaling $4,406,100. The administration indicates that applications declined in 2018-19 because eligible entities may have already installed IT infrastructure or may not need assistance given the low cost of IT infrastructure. For example, 45 entities are eligible to apply for $100 or less in grant funding in 2018-19. As of April, 2019, approximately $807,400 has been awarded.

9. If the program sunset is extended, the Committee could approve the Governor's proposal to reduce the amount awarded to $3,000,000 per year. [Alternative B3] Given the amounts awarded in 2017-18, the Committee could instead decide to take no action, thereby maintaining current funding levels ($7,500,000 per year). [Alternative B4]

IT Infrastructure Grant Eligibility

10. To qualify for IT infrastructure grants under current law, a school district's membership in the previous school year divided by the district's area in square miles must be 16 or less (an increase from 13 in the 2015-17 biennium). The administration recommends that the application process consider membership in the most recent school year for which finalized data is available, rather than membership in the previous year, because the final compilation of data by the Department of Public Instruction may not yet be available to DOA during the award process.

11. The Governor additionally recommends modifying the distribution of funds under the IT infrastructure grant program such that the award amount is based on a school district's membership in the first year of the fiscal biennium. Under current law, the amount awarded is determined by the following formula: $7,500 for eligible districts with fewer than 750 students; $10 per student for eligible districts with between 750 and 1,500 students; and $15,000 for eligible districts with more than 1,500 students. Current law does not specify when membership is measured for the purpose of

calculating awards.

12. Under 2017 Act 142, public libraries and library branches were added to the list of eligible recipients for IT infrastructure grants and education technology training grants. Under current law, a public library or library branch is eligible if it: (a) is in a municipality defined as rural by the U.S. Census Bureau; (b) is in a municipality with a population of 20,000 or less; and (c) meets additional criteria based on distance from an urbanized area or urban cluster. The administration intends the proposal to eliminate superfluous language since the latter requirement does not appear to exclude any areas. For example, eligible locations are defined under part (c) as those "less than or equal to 5 miles from an urbanized area, more than 5 miles but less than or equal to 25 miles from an urbanized area, or more than 25 miles from an urbanized area." However, it could be argued that the inclusion of unnecessary language has not had any effect on program administration.

13. Given existing delays in the compilation of data and potential redundancies under current law, the Committee could approve the Governor's proposal to: (a) modify the application process such that a school district's eligibility for IT infrastructure grants is based on membership in the most recent school year for which finalized data is available; (b) specify that membership data utilized to distribute IT infrastructure grants be from the first year of the biennium; and (c) modify the definition of rural territory for the purpose of determining eligibility for IT infrastructure and education technology training grants. [Alternative C1]

14. In addition, the Governor recommends adding a consortium of public libraries and a public library system to the list of eligible recipients for IT infrastructure grants, provided that it contains three or more eligible public libraries or library branches and it applies for a grant. The administration indicates that the proposal is intended to "provide administrative flexibility for libraries who may not apply individually, and may result in increased utilization of these funds by libraries." In 2017-18, $14,800 of infrastructure grants were awarded to public libraries and library branches (out of $15,000,000 available to libraries and rural school districts). The Committee could decide to approve the Governor's recommendation to expand the list of eligible recipients of the IT infrastructure grant program to include consortia of public libraries and public library systems. [Alternative C2]

15. It should be noted that the Department has not indicated difficulties with administering IT infrastructure grants under current law. Further, the effect of modifying eligibility criteria on program administration or on applicants is unknown at this time. Therefore, the Committee could take no action, thereby maintaining current eligibility criteria for IT infrastructure grants. [Alternative C3]

Education Technology Training Grants

16. The Department also provides grants to consortia of three or more rural school districts to train teachers on the use of educational technology. Under 2017 Act 142, rural public libraries and library branches were added to the list of eligible recipients of technology training grants. The Department indicates that it will begin to provide awards to eligible public libraries and library branches in 2018-19. Under current law, $1,500,000 annually is budgeted for technology training grants. In 2017-18, the TEACH program awarded technology training grants totaling $1,499,600 to 27 consortia representing 201 rural school districts.

17. The administration recommends eliminating technology training grants "due to the determination that these funds are better spent on enhancing broadband infrastructure in high need areas around the state." The Committee could approve the Governor's recommendation to eliminate the technology training grant program. [Alternative D1] Given continued demand for the program, as allocated funds have been consistently granted, the Committee could instead take no action, thereby maintaining current funding levels. [Alternative D2]

Curriculum Grants

18. The Department provides grants to consortia of school districts to develop and implement a technology-enhanced high school curriculum. Under current law, $25,000 annually is budgeted for curriculum grants. In 2017-18, the TEACH program awarded one curriculum grant of $24,984 to the Embarrass River Valley Instructional Network Group, which consists of eight school districts. The Group was also the sole grant recipient in 2016-17.

19. The administration recommends eliminating the curriculum grant program because "these funds are better spent on enhancing broadband infrastructure." The Committee could approve the Governor's recommendation to eliminate the curriculum grant program. [Alternative E1] Given continued demand for the program, as allocated funds have been consistently granted, the Committee could instead take no action, thereby maintaining current funding levels. [Alternative E2]

E-Rate Transfer for Broadband Grants

20. The federal e-rate appropriation under DOA receives federal aid as reimbursement for a percentage of eligible telecommunications expenses for schools and libraries. As a continuing appropriation, the closing balance at the end of each fiscal year remains in the appropriation and can be utilized in the subsequent fiscal year. Under 2017 Act 59, DOA was authorized to provide one-time transfers from the federal e-rate appropriation of $7,500,000 to the USF and $5,000,000 to the PSC for broadband expansion grants. In 2017-18, DOA spent $20,383,800 from the federal e-rate appropriation, including authorized transfers. The closing balance in 2018-19 is estimated to total $35,635,500.

21. The Governor recommends the transfer of $24,200,000 FED ($6,900,000 in 2019-20 and $17,300,000 in 2020-21) from DOA's federal e-rate appropriation to the USF for broadband expansion grants. The administration estimates that it would have sufficient funding to maintain the TEACH program and to provide the recommended transfer to the USF if expenditure authority for the TEACH program appropriation is not reduced, as indicated in the errata letter. Further analysis of the proposed federal e-rate transfer is addressed in a subsequent budget paper relating to the broadband expansion grant program.

Fiscal Effect of the Errata

22. As noted previously, funding authority for the TEACH program would be reduced by $6,025,000 SEG annually under the bill as introduced. However, the administration indicates that it intended to reduce the amount of funding allocated for TEACH grants while maintaining total expenditure authority for the program, thereby increasing the amount available for subsidized Internet

access. The Department indicates that, under the bill as introduced, it may be unable to meet program obligations due to this reduction. Specifically, under current law, the TEACH program serves eligible educational entities by providing access to the Internet and two-way interactive video services through rate discounts and subsidized installation of data lines and video links. Public school districts, private schools, cooperative educational service agencies, technical college districts, charter school sponsors, juvenile correctional facilities, private and tribal colleges, public museums, and public libraries are eligible for funding under this program. A reduction in expenditure authority, in combination with the transfer of e-rate funding for broadband expansion, could significantly limit the extent to which DOA could continue to provide subsidized Internet access to these entities. The effect of the errata is a $0 SEG annual change to the base and a $6,025,000 SEG annual increase to bill funding ($12,050,000 SEG over the biennium).

ALTERNATIVES

A. Educational Telecommunications Access Program

The Committee may select more than one alternative under this section.

1. Approve the Governor's recommendation to limit charges to no more than $100 per month for each data line that operates at a speed of 1 gigabyte per second. [This alternative may be selected in addition to Alternative A3 or A4.]

2. Take no action regarding the proposal to limit charges to no more than $100 per month for each data line that operates at a speed of 1 gigabyte per second, thereby maintaining current law. [This alternative may be selected in addition to Alternative A3 or A4.]

3. Approve the Governor's recommendation to eliminate the authority to subsidize video links under the TEACH program. [This alternative may be selected in addition to Alternative A1 or A2.]

4. Take no action regarding the proposal to eliminate the authority to subsidize video links under the TEACH program, thereby maintaining current law. [This alternative may be selected in addition to Alternative A1 or A2.]

B. IT Infrastructure Grant Awards

The Committee may select more than one alternative under this section.

1. Approve the Governor's recommendation to extend the sunset of the IT infrastructure grant program to June 30, 2021. [This alternative may be selected in addition to Alternative B3 or B4.]

2. Take no action with regard to extending the sunset date. The IT infrastructure grant program will sunset effective July 1, 2019.

3. Approve the Governor's recommendation to reduce the amount awarded under the IT infrastructure grant program to $3,000,000 per year. [This alternative may be selected with Alternative B1.]

4. Take no action with regard to the amount awarded, thereby maintaining the current funding level of $7,500,000 annually. [This alternative may be selected with Alternative B1.]

C. IT Infrastructure Grant Eligibility

The Committee may select more than one alternative under this section.

1. Approve the Governor's recommendations to: (a) modify the application process such that a school district's eligibility for IT infrastructure grants is based on membership in the most recent school year for which finalized data is available; (b) specify that membership data utilized to distribute IT infrastructure grants be from the first year of the biennium; and (c) modify the definition of rural territory for the purpose of determining eligibility for IT infrastructure and education technology training grants. [This alternative may be selected with Alternative C2.]

2. Approve the Governor's recommendation to expand the list of eligible recipients for the IT infrastructure grant program to include a consortium of public libraries and a public library system. [This alternative may be selected with Alternative C1.]

3. Take no action with regard to the recommendations to modify IT infrastructure grant eligibility.

D. Education Technology Training Grants

1. Approve the Governor's recommendation to eliminate the technology training grant program.

2. Take no action, thereby maintaining the current grant program and funding of $1,500,000 SEG annually.

E. Curriculum Grants

1. Approve the Governor's recommendation to delete the curriculum grant program.

2. Take no action, thereby maintaining the current grant program and funding of $25,000 SEG annually.

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May, 2019 | Joint Committee on Finance | Paper #103

Modify Appropriation Authority for Risk Management (Administration -- General Agency Provisions)

[LFB 2019-21 Budget Summary: Page 23, #6]

CURRENT LAW

The Department of Administration (DOA) operates the state's risk management program, which provides insurance coverage for state property, liability, and worker's compensation losses. Each year, DOA charges risk management premiums to state agencies based on total program costs, claims history, and risk exposure. Base funding for risk management administration, including an unallotted reserve, is $10,719,900 PR and 15.45 PR positions. In December, 2018, the Committee approved DOA's request to increase expenditure authority by $1,412,500 PR in 2018-19 to fund excess insurance premiums. The December, 2018, increase is not included in the program's base budget for the 2019-21 biennium.

GOVERNOR

Modify DOA's appropriation for risk management administration from an annual appropriation to a continuing appropriation. As under current law, specify that at the end of each fiscal year, the unencumbered balance of the appropriation would be transferred from the risk management administration appropriation to the risk management costs appropriation. Under the bill, expenditures would be limited only to the amount of revenue transferred from the risk management costs appropriation to the administration appropriation. The bill does not limit the amount that may be transferred.

Increase estimated risk management administration expenditures by $1,412,500 PR annually for supplies and services. This is the amount approved by the Joint Committee on Finance in December, 2018, for the 2018-19 fiscal year.

DISCUSSION POINTS

1. The risk management program is self-funded to insure state agencies against property, liability, and worker's compensation losses. Coverage for state agencies is funded by an annual premium based on prior losses, current exposure, and administrative expenses. The state also purchases excess property and excess liability coverage from private insurance carriers for losses that exceed self-funded coverage for the programs. Payment to private insurance carriers is funded from the risk management administration appropriation, which would be modified under the bill. Excess insurance premiums are generally paid in July of each year.

2. Expenditures for the risk management program are made from two appropriations: (a) risk management costs (a continuing PR appropriation under s. 20.505(2)(k) of the statutes); and (b) risk management administration (an annual PR appropriation under s. 20.505(2)(ki) of the statutes). The appropriation for risk management costs, from which transfers of revenue are made to the administration appropriation, receives assessment revenues from state agencies. The costs appropriation is used to pay claims for state property, liability, and worker's compensation losses.

3. In May, 2016, the Joint Committee on Finance approved an increase to the administration appropriation's unallotted reserve, from $105,100 to $2,000,000, for increased excess property insurance costs and to allow for variable excess insurance expenses in the future. During 2017-19 budget deliberations, the Governor recommended modifying the administration appropriation from an annual to a continuing appropriation and reducing estimated expenditures by $557,500 PR annually (resulting in an unallotted reserve of $1,442,500). Under 2017 Act 59, the Joint Committee on Finance and the Legislature approved the Governor's proposal to reduce expenditure authority but maintained the appropriation as annual.

4. The administration indicates that excess insurance premiums have increased in recent years due to claims by the state and general market conditions. For example, several storms led to property losses throughout the state, including a significant loss at University of Wisconsin - Stevens Point in 2016-17. In addition, a claim of $18,900,000 involving the Department of Corrections was paid during 2017-18. According to the administration, property and liability insurance premiums have also increased due to national events, including natural disasters such as hurricanes, and "trends in police brutality allegations, incarceration liabilities, sexual misconduct claims, and concussion injuries."

5. As a result of increased excess insurance premium costs, DOA submitted a request for additional expenditure authority in 2018-19 under s. 16.515 of the statutes. On December 26, 2018, the Committee approved DOA's request for $1,412,500 PR to fund excess insurance premiums. The supplemental authority was limited to 2018-19 and is not included in the agency's base budget. The Governor recommends providing an amount equal to the 2018-19 supplement for the 2019-21 biennium.

6. In 2017-18, administrative expenses totaled $9,573,400 PR (approximately $1.1 million less than the amount authorized). Expenditures were associated with: (a) salaries ($860,500); (b) fringe benefits ($365,800); (c) insurance ($6,768,900); and (d) other supplies, services, and transfers ($1,578,200). Administrative expenditures are expected to total $12,089,900 in 2018-19, including

$8,705,000 for excess insurance premiums. The table below shows expenditures for excess insurance premium in the previous six years.

Excess Insurance Premiums, 2013-14 to 2018-19

Fiscal Year	Property Excess Insurance Premiums	Liability Excess Insurance Premiums	Total Excess Insurance Premiums
2013-14	$4,686,900	$682,800	$5,369,700
2014-15	4,728,700	682,800	5,411,500
2015-16	5,866,200	691,200	6,557,400
2016-17	5,365,000	742,900	6,107,900
2017-18	5,294,300	1,474,700	6,769,000
2018-19	5,899,800	2,805,200	8,705,000

7. Currently, expenditure authority for risk management administration is limited to the amount appropriated for the fiscal year. The Division indicates that it has had to reallocate funds budgeted for other administrative purposes when premiums have exceeded budgeted amounts within the appropriation. The administration recommends converting the appropriation from annual to continuing due to the unpredictability of insurable events, which affect premium costs. Under the bill, expenditures would be limited only to the amount of revenue transferred from the risk management costs appropriation to the administration appropriation. The amount transferred would also not be limited under the bill.

8. Given that excess insurance premiums have fluctuated over the past years, comprise the majority of risk management administrative expenses, and have generally increased recently, the Committee could approve the Governor's recommendation to convert the appropriation from annual to continuing, and to increase estimated expenditures by $1,412,500 PR annually. [Alternative 1]

9. However, the proposed modification could have an adverse effect on program costs with regard to excess insurance premiums. Specifically, under current law, when the state negotiates with insurance companies over premiums, it does so with a limitation on expenditures because the appropriation from which excess insurance premiums are paid is annual. If proposed premiums would cause anticipated expenses to exceed the amount appropriated, the increase would be subject to approval by the Committee under passive review. Requiring the state to administer the program with a limited budget may have the effect of limiting price increases when it negotiates over excess insurance premiums or limiting the amount of coverage provided. The Division indicates that current premium costs are based on the state's claim history, nationwide market conditions, and amount of coverage, rather than budgetary limitations. However, removing expenditure limitations could impair the state's position in negotiations or allow the Division to expand the amount and cost of coverage. Therefore, the Committee may wish to maintain the appropriation as annual, thus limiting expenditure authority.

10. Given recent increases in premium costs, the Committee could instead consider providing additional expenditure authority only. Therefore, the Committee could modify the provision to maintain the current law appropriation as annual while increasing expenditure authority

by $1,412,500 PR annually (the amount under the bill). Under this alternative, expenditure authority for the administration appropriation would total $12,132,400 PR annually ($42,500 more than estimated expenditures in 2018-19). [Alternative 2a] In addition, the Committee could consider increasing the appropriation's unallotted reserve by $2,000,000 PR annually (the approximate amount of the most recent increase in premiums) to allow for fluctuations in premiums. The use of the reserve would need to be approved administratively. [Alternative 2b]

11. It should be noted that any expenditure authority provided to the administration appropriation for supplies and services would not be limited to the payment of excess insurance premiums. Therefore, modifying the administration appropriation from annual to continuing could result in increased expenditures and assessments for other supplies and services provided under the appropriation. The Committee may wish to allow for the unpredictability of insurable events while specifying that authorized funds be allocated for premiums.

12. Therefore, the Committee could instead create a separate continuing appropriation for excess insurance premiums. Funding for the new appropriation would be provided by transfers from the risk management costs appropriation. The Committee could estimate expenditures at $7,292,500 PR annually under the continuing appropriation for excess insurance premiums (2018-19 premiums less the amount not included in base funding, $1,412,500) and reduce expenditure authority for the administration appropriation by an equal amount. [Alternative 3a] Alternatively, the Committee could estimate expenditures under the continuing appropriation for excess insurance premiums at $8,705,000 PR annually (the estimated amount under the bill) and reduce expenditure authority for the administration appropriation by $7,292,500 PR annually. [Alternative 3b]

13. Finally, if the Committee wishes to maintain an expenditure limit and current funding levels, it could take no action. Expenditure authority for the risk management administration would continue to be limited to $10,719,900 PR annually. [Alternative 4] Under this alternative, DOA would not have base funding sufficient to support the most recent increase in excess insurance premiums, which was approved by the Committee in December, 2018. However, if the Department anticipates a need for increased expenditure authority, it could submit a passive review request to the Committee under s. 16.515 of the statutes, as was done in December, 2018.

ALTERNATIVES

1. Approve the Governor's recommendation to modify DOA's risk management administration appropriation from annual to continuing, and increase estimated expenditures by $1,412,500 PR annually.

ALT 1	**Change to**	
	Base	**Bill**
PR	$2,825,000	$0

2. Modify the provision to maintain the current law appropriation as annual. In addition:

a. Increase expenditure authority by $1,412,500 PR annually.

ALT 2a	Change to	
	Base	Bill
PR	$2,825,000	$0

b. Increase expenditure authority by $1,412,500 PR annually and increase the unallotted reserve by $2,000,000 PR annually.

ALT 2b	Change to	
	Base	Bill
PR	$6,825,000	$4,000,000

3. Create a continuing appropriation under DOA for risk management excess insurance premiums. In addition:

a. Estimate expenditures at $7,292,500 PR annually. Reduce expenditure authority for the risk management administration appropriation by $7,292,500 PR annually, including $1,442,500 PR in unallotted reserve.

ALT 3a	Change to	
	Base	Bill
PR	$0	- $2,825,000

b. Estimate expenditures at $8,705,000 PR annually. Reduce expenditure authority for the risk management administration appropriation by $7,292,500 PR annually, including $1,442,500 PR in unallotted reserve.

ALT 3b	Change to	
	Base	Bill
PR	$2,825,000	$0

4. Take no action.

ALT 4	Change to	
	Base	Bill
PR	$0	- $2,825,000

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May, 2019 Joint Committee on Finance Paper #104

Procurement and Risk Appropriation Creation
(Administration -- General Agency Provisions)

[LFB 2019-21 Budget Summary: Page 24, #7]

CURRENT LAW

The State Bureau of Procurement (SBOP) and the Bureau of State Risk Management (BSRM) are administered within the Department of Administration's Division of Enterprise Operations. The State Bureau of Procurement is responsible for purchasing all necessary materials, supplies, equipment, other permanent personal property and miscellaneous capital, contractual services, and other expenses of a consumable nature for agencies, except those authorized as special designated agents. Under current law, DOA may assess any agency or municipality for the cost of procurement services provided. The Bureau of State Risk Management provides risk management and risk financing services to state agencies. Under current law, DOA may charge each agency a proportionate share of the estimated costs attributable to programs administered by BSRM.

GOVERNOR

Create a continuing PR appropriation for procurement and risk management services. Authorize DOA to provide technical assistance and other services relating to procurement and risk management for local governmental units and private organizations, including conducting educational seminars, courses, and conferences. Require DOA to charge fees sufficient to recover the costs of activities. The bill estimates expenditures for the appropriation at $0 annually.

DISCUSSION POINTS

1. The State Bureau of Procurement's responsibilities are to: (a) establish policies and

procedures governing all agency and campus procurements; (b) manage statewide procurements and contracts for goods and services used across state government; (c) provide training and consulting services to agencies; (d) maintain the state's online purchasing information system; and (e) perform management reviews of agencies and campuses for compliance with state procurement laws, policies, and procedures. Under statute, SBOP is responsible for purchasing all necessary materials, supplies, equipment, other permanent personal property and miscellaneous capital, contractual services, and other expenses of a consumable nature for all agencies. The Bureau may delegate purchasing authority to special designated agents. Under current law, DOA may assess any agency or municipality to which it provides procurement services for the cost of the services provided.

2. The Bureau of State Risk Management's responsibilities are to: (a) protect the state from losses that are catastrophic in nature and minimize the total cost to the state of all activities related to the control of accidental loss; (b) emphasize the reduction of loss through professional attention to scientific loss control techniques and by motivational incentives, prompt claims payment, and other loss prevention measures; (c) identify and evaluate loss exposure to the state and its employees or injury to the public as the result of fire, accidents, or other fortuitous events at state-owned properties or facilities; (d) recommend changes in procedures, program conditions, or capital improvements for all agencies that would satisfactorily eliminate or reduce loss exposure; (e) manage the state employees' worker's compensation program and statewide self-funded programs to finance losses arising from state liability and damage to state property; (f) arrange appropriate insurance contracts for the transfer of risk on the part of the state or its employees, to the extent such loss cannot reasonably be assumed by the individual agencies or the self-funded program; (g) approve all insurance purchases; and (i) train, upgrade, and guide appropriate personnel in the agencies in the implementation of sound risk management practices and industry standards for best practices for claims management. Under current law, DOA may charge each agency a proportionate share of the estimated costs attributable to programs administered by BSRM.

3. The requested appropriation would authorize DOA to charge local units of government and private organizations for technical assistance and other services relating to procurement and risk management, including educational seminars, courses, or conferences. For example, the administration indicates the proposed appropriation could be used to receive risk, procurement, and other conference registration fees from local units of government and private organizations.

4. The Department regularly provides two such qualifying conferences each year. On October 31, 2018, SBOP held the third annual state procurement conference. Registration fees ranged from $30 to $45 depending on the time of payment. On November 1 and 2, 2018, BSRM held the twenty-third annual state risk management conference. Registration fees ranged from $60 to $80 depending on the time of payment. Conference fees collected from all attendees are currently processed through the administrative appropriations associated with SBOP and BSRM. Conference fees from non-state entities were estimated to generate $800 in 2017-18.

5. The provision would authorize DOA to charge for procurement and risk management services provided to non-state entities, such as local units of government and private organizations. The administration indicates that the recommendation is intended to codify current practices and allow for the separate accounting of associated fees. The Committee could approve the Governor's

recommendation to create a continuing PR appropriation, with estimated expenditures of $0 annually, for procurement and risk management services for non-state entities. [Alternative 1]

6. The bill estimates expenditures for the appropriation at $0 annually. However, expenditure authority for a continuing appropriation that is not sum certain is only limited to the unencumbered balance in the appropriation account. Further, the bill does not specify the meaning of "technical assistance and other services." Given the structure of the appropriation and lack of definitions under the bill, it could be argued that DOA would have the authority to expand services to local governmental units and private organizations and to spend any revenues collected without legislative review. Based on the value of qualifying services in 2017-18, the Committee could decide to limit expenditures by instead modifying the proposal to create an annual appropriation with expenditure authority of $1,000 PR annually. [Alternative 2]

7. On the other hand, it could be argued that the statutory responsibilities of SBOP and BSRM encompass services to state agencies, rather than services to local units of government or private organizations. Further, DOA currently has the authority to process occasional revenues from non-state entities. The administration indicates that, if the provision were not approved, DOA would continue to deposit revenues from non-state entities to each bureau's administrative appropriations and would not pursue marketing to non-state entities or individuals. Therefore, the Committee could take no action. [Alternative 3]

ALTERNATIVES

1. Approve the Governor's recommendation to create a continuing PR appropriation for procurement and risk management services for non-state entities with estimated expenditures of $0 annually.

2. Modify the provision to create an annual PR appropriation for procurement and risk management services for non-state entities. Further, modify the provision to limit expenditure authority to $1,000 PR annually.

ALT 2	Change to Base	Change to Bill
PR	$2,000	$2,000

3. Take no action.

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May, 2019 Joint Committee on Finance Paper #105

Transfer Administration of Document Sales Program within DOA (Administration -- General Agency Provisions)

[LFB 2019-21 Budget Summary: Page 25, #9]

CURRENT LAW

Under current law, the document sales program within the Department of Administration (DOA) is funded from an appropriation that also supports expenses for state fleet, mail transportation, and records services. The program provides for centralized distribution of state agency documents available to the public and is funded primarily from program revenue from fees charged to state agencies.

GOVERNOR

Rename DOA's current law appropriations for transportation, records, and document services and printing, mail, communication, and information technology services to state agencies to reflect the transfer of administration for the document sales program within DOA from the Division of Enterprise Operations to the Division of Enterprise Technology. Reallocate $194,300 PR and 2.0 PR positions annually from the renamed transportation and records appropriation to the renamed printing, mail, communication, document sales, and information technology services to state agencies appropriation ($69,800 PR for salaries, $25,900 PR for fringe benefits, and $98,600 PR for supplies and services).

DISCUSSION POINTS

1. The Governor's recommendation is to transfer the document sales program's expenditure and position authority as follows: (a) 2.0 PR positions annually (1.0 inventory control coordinator - advanced and 1.0 operations program associate); (b) $95,700 PR for salaries and fringe benefits; and (c) $98,600 PR annually for supplies and services associated with office rent, information technology,

mailing costs, and other miscellaneous assessments.

2. The administration indicates that document sales revenue fluctuates and "a biennial increase in revenues has historically corresponded with the biennial distribution of Legislative documents, such as the Blue Book." Other items distributed by the program include building permit seals used by local governments under the Uniform Dwelling Code program of the Department of Safety and Professional Services, childcare subsidy program eligibility guidelines, and DNA testing kits available to local governments from the Department of Justice. In general, revenue has declined in recent years as the demand for printed documents has declined and demand for digital documents has increased. The document sales program generated revenue of $108,300 in 2016-17 and $129,000 in 2017-18. If sales continue to decline, the program will continue to have expenditures that exceed revenues.

3. Under current law, the document sales program is funded under the transportation, records, and document services appropriation, which is authorized to "provide state vehicle and aircraft fleet, mail transportation, document sales, and records services primarily to state agencies." With the exception of the document sales program, which is currently administered by DOA's Division of Enterprise Technology, the other programs funded by this appropriation are administered by DOA's Division of Enterprise Operations. Base funding for the appropriation is $19,243,500 PR and 35.25 PR positions. The administration indicates that the difference between the document sales program's revenues and expenditures is currently subsidized by the other programs under the appropriation.

4. The printing, mail, communication, and information technology services to state agencies appropriation is currently authorized to "provide printing, mail processing, electronic communications, information technology development, management, and processing services" to state agencies. Base funding for the appropriation is $97,799,700 PR and 238.45 PR positions. If the document sales program were transferred, the difference between the program's revenues and expenditures would be subsidized by the printing, mail, communication, and information technology services programs. According to the administration, DOA is working to "rectify the current negative balance" by increasing the "utilization of document sales services."

5. Under Executive Order 288, issued on May 1, 2018, state agencies were directed to consolidate print and mail operations under DOA's Bureau of Publishing and Distribution (BPAD), which is administered by the Division of Enterprise Technology (DET). The administration argues the recommended transfer is consistent with the goal of "centralizing publishing and distribution functions within DET." The administration indicates that the document sales program has already been "integrated with the functions" of BPAD and intends that the recommended transfer align program funding and management.

6. Further, it could be argued that the services provided under the document sales program are more appropriately aligned with printing, mail, and information technology than with transportation and records services. Therefore, the Committee could approve the Governor's recommendation to transfer the program's expenditure and position authority within DOA. [Alternative 1]

7. If the statutory transfer were not approved, the program would continue to be supervised

by BPAD (under the Division of Enterprise Technology) and funded from an appropriation that primarily supports costs of the Division of Enterprise Operations. If the Committee takes no action, the current funding structure would be maintained for the document sales program [Alternative 2]. To the extent that expenses continue to exceed revenues for the program, the difference would be supported by revenue generated by programs administered by the Division of Enterprise Operations.

ALTERNATIVES

1. Approve the Governor's recommendation to rename DOA's current law appropriations for transportation, records, and document services and printing, mail, communication, and information technology services to state agencies to reflect the transfer of administration for the document sales program within DOA from the Division of Enterprise Operations to the Division of Enterprise Technology. Reallocate $194,300 PR and 2.0 PR positions annually from the renamed transportation and records appropriation to the renamed printing, mail, communication, document sales, and information technology services to state agencies appropriation.

2. Take no action.

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ADMINISTRATION

General Agency Provisions

LFB Summary Items for Which No Issue Paper Has Been Prepared

Item #	Title
2	Debt Service
8	Position Reallocations
10	Replacement of Capitol Police Communication Devices

LFB Summary Items Removed From Budget Consideration

Item #	Title
11	Repeal Approval Process for Capitol Security Changes
12	Economic Development Liaison Project Position