



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #147

Tribal Youth Wellness Center (Administration -- Division of Gaming)

[LFB 2021-23 Budget Summary: Page 51, #4]

CURRENT LAW

Under 2017 Act 59, one-time funding of \$200,000 PR from tribal gaming revenue was provided to the Stockbridge-Munsee to study the creation of a tribal youth wellness center. In June, 2018, the Great Lakes Inter-Tribal Council published the resulting feasibility study and business plan outlining next steps for building a substance abuse and mental health treatment center. Under 2019 Act 9, an appropriation for a youth wellness center was created under DOA. The Act provided one-time funding of \$640,000 PR from tribal gaming revenue in 2019-20 to develop architectural plans for the center, which were completed in 2020-21. The appropriation is not provided base funding during the 2021-23 biennium.

DISCUSSION POINTS

1. An estimated 58% of youth in Wisconsin have used alcohol, while an estimated 11% have misused prescription pain medications. Native youth are estimated to be twice as likely as non-Native youth to have used opioids for nonmedical purposes, meaning that approximately one in four Native adolescents in Wisconsin has misused opioids. From 1999 to 2015, the death rate from opioid overdoses increased by more than 500% for Native Americans. In addition, the social isolation and economic hardship associated with the Coronavirus pandemic have worsened the opioid crisis.

2. Native youth in Wisconsin currently have limited treatment options for substance abuse disorders. Two facilities in Wisconsin (Eau Claire Academy and Rodgers Memorial Hospital) provide residential substance abuse services for adolescents. However, neither facility accepts Indian Health Service (IHS) reimbursements. The Indian Health Service, an agency within the federal Department of Health and Human Services, currently funds 12 youth regional treatment centers throughout the

country that address substance abuse among Native youth. While IHS supports patient care, the agency does not provide financing for the construction of facilities. The closest IHS-sponsored youth treatment center to Wisconsin is in South Dakota.

3. In 2018, the Inter-Tribal Council published a feasibility study and business plan for the treatment facility. According to the plan, the facility would provide programs for addicted youth to enable them to reintegrate themselves back into their communities and re-initiate a constructive life. As proposed, the center would provide 36 beds and the average length of stay would be 40 days. While the center would focus on serving Native adolescents, it would also serve non-Native youth in need of treatment. The center would use Dialectical Behavioral Treatment in conjunction with Medical Assisted Treatment. Interventions would also incorporate traditional Native cultural and spiritual practices, including talking circles, sweat lodges, smudging, praying and dancing. The center would be tribally-owned and operated with the assistance of a private healthcare contractor to maximize federal assistance to tribes while providing evidence-based treatments. The facility is expected to cost \$8 million to build and construction costs are expected to be funded without state support. The Council recommends building the center near Wausau because of the city's central location, highway accessibility, and relatively inexpensive real estate.

4. In August, 2020, the President of the Stockbridge-Munsee Community sent a letter to DOA requesting \$350,000 annually during the 2021-23 biennium for the treatment center. According to the request, funds would be used to develop operational and financing plans, complete program design, secure a location for the center, and comply with licensing and accreditation requirements. This request was incorporated into Assembly Bill 68/Senate Bill 111. The bill would also modify DOA's existing appropriation for the youth wellness center to repeal the limitation that funds may only be used to create architectural plans. The provision would be funded by tribal gaming revenues.

5. Tribal gaming revenue paid to the state is based on provisions under state-tribal compacts. The first draw on gaming revenue is to state agencies and remaining revenue is deposited in the general fund. Gaming revenues are estimated to total \$56 million in 2021-22 and \$62 million in 2022-23. Nine of the 11 state-tribal compacts include an ancillary memorandum of understanding relating to government-to-government matters, including the intended use of tribal gaming payments to the state. In general, the agreements indicate that the Governor must undertake his or her best efforts to assure that monies paid to the state are expended for: (a) economic development initiatives to benefit tribes and/or American Indians within Wisconsin; (b) economic development initiatives in regions around casinos; (c) promotion of tourism within the state; and (d) support of programs and services of the county in which the tribe is located.

6. Given the prevalence of substance abuse disorders among Native youth, the lack of in-state treatment options, the state's prior investments in building a treatment center, and agreements that tribal gaming revenues be used to benefit tribal communities, the Committee could provide \$350,000 PR annually to finalize plans for the center. [Alternative 1] On the other hand, given that the proposed expenditures, such as preparing operational plans and securing a location, would only need to occur once, the Committee could provide the funds but on a one-time basis during the 2021-23 biennium. [Alternative 2] Under this alternative, the youth wellness center appropriation would not be provided base funding during the 2023-25 biennium. If the provision is not approved, the

Stockbridge-Munsee or the Great Lakes Inter-Tribal Council would need to secure another source of funding in order to move forward with establishing the treatment center. [Alternative 3]

ALTERNATIVES

1. Provide \$350,000 PR annually from tribal gaming revenues to support the tribal youth wellness center. Modify the youth wellness center appropriation to repeal the limitation that funds may only be used to create architectural plans.

ALT 1	Change to Base
PR	\$700,000
GPR-REV	- \$700,000

2. Provide \$350,000 PR annually on a one-time basis during the 2021-23 biennium from tribal gaming revenues to support the tribal youth wellness center. Modify the youth wellness center appropriation to repeal the limitation that funds may only be used to create architectural plans.

ALT 2	Change to Base
PR	\$700,000
GPR-REV	- \$700,000

3. Take no action.

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