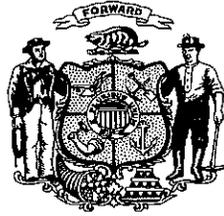


State of Wisconsin

SENATE CHAIR
Alberta Darling

317 East, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-5830



ASSEMBLY CHAIR
John Nygren

309 East, State Capitol
P.O. Box 8593
Madison, WI 53708-8953
Phone: (608) 266-2343

Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: October 24, 2017

Re: s. 16.515/16.505(2), Stats. Request

Attached is a copy of a request from the Department of Administration, received October 24, 2017, pursuant to s. 16.515/16.505(2), Stats., on behalf of the Department of Justice.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Friday, November 10, 2017**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachments

AD:JN;jm



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT WALKER
GOVERNOR
SCOTT A. NEITZEL
SECRETARY
Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842

Date: October 24, 2017
To: The Honorable Alberta Darling, Co-Chair
Joint Committee on Finance

The Honorable John Nygren, Co-Chair
Joint Committee on Finance
From: Scott A. Neitzel, Secretary
Department of Administration
Subject: s. 16.515/16.505(2) Request(s)

OCT 24 2017

St. Finance

SN

Enclosed are request(s) that have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

AGENCY	DESCRIPTION	2017-18		2018-19	
		AMOUNT	FTE	AMOUNT	FTE
DOJ 20.455(2)(gu)	Sobriety programs	\$110,000			

As provided in s. 16.515, the request(s) will be approved on November 14, 2017, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Kirsten Grinde at 266-1353, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

Date: October 20, 2017
To: Waylon Hurlburt
From: Caitlin Morgan Frederick
Subject: Section 16.515 Request

Attached is a s. 16.515 request analysis for your approval and processing. Listed below is a summary of each item:

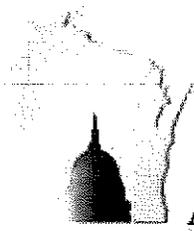
DOA RECOMMENDATION:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>2017-18</u>		<u>2018-19</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
DOJ 20.455(2)(gu)	Sobriety programs	\$110,000			

AGENCY REQUEST:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>2017-18</u>		<u>2018-19</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
DOJ 20.455(2)(gu)	Sobriety programs	\$110,000			

WRH APPROVAL WRH (FORWARD TO GAIL TAPPEN)



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT WALKER
GOVERNOR
SCOTT A. NEITZEL
SECRETARY

Division of Executive Budget and Finance
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1736
Fax (608) 267-0372
TTY (608) 267-9629

Date: October 20, 2017

To: Scott A. Neitzel, Secretary
Department of Administration

From: Caitlin Morgan Frederick
Executive Policy and Budget Manager

Subject: Request under s. 16.515 from the Department of Justice to increase expenditure authority for the implementation of the Frequent Sobriety Testing Pilot program under 2015 Wisconsin Act 55.

Request:

The Department of Justice requests increased expenditure authority of \$110,000 PR in fiscal year 2017-18 in the sobriety programs appropriation under s. 20.455(2)(gu).

Revenue Sources for Appropriation:

The sobriety programs appropriation under s. 20.455(2)(gu) is a program revenue annual appropriation. The revenue sources are the program participant fees collected by counties under s. 165.957(4)(d) and remitted to the state under s. 165.957(5).

Background:

The 2015-17 Biennial Budget, 2015 Wisconsin Act 55, created the Frequent Sobriety Testing Pilot program within the Department of Justice. The pilot project is intended to reduce the recidivism rate for operating while intoxicated (OWI) offenders, by subjecting them to a 24-hours-a-day, 7-days-a-week (24/7) sobriety program with frequent alcohol and drug testing.

The pilot project would allow the department to authorize up to five counties to establish a sobriety pilot project for persons convicted of 2nd and higher OWI offense. Participating OWI offenders must either: (a) be ordered by a court or the Department of Corrections to participate in a sobriety program as a part of probation, parole or a deferred prosecution agreement; or (b) voluntarily agree to participate in a sobriety program. In June of 2016, the department announced that Green Lake, Manitowoc, Oneida, Racine and Washburn counties were selected to participate in the pilot program. Program participants are subject to frequent testing for alcohol and drug use, including on-site testing up to twice per day and/or continuous testing methods. Failing a test or failing to appear for a scheduled test can result in immediate incarceration.

Under the pilot program, the department is required to collect information from the participating counties on an annual basis. This includes the number of participants in the program, the costs associated with the program, the failure or dropout rates of participants and any other information requested by the department. The department shall analyze the information it gathers and submit the information as a report to the Legislature. The report must include a list of the participating counties, the number of participants in each county's program, a description of each county's program and the recidivism rates for participants in each county's program.

Participating counties are authorized to charge participating offenders a fee under the program. The fee that is established by the county must be sufficient to defray the operating costs of the program, although a county may allow a participant to pay a reduced fee or no fee, subject to the participant's ability to pay. The department may enter into an agreement with each county that requires the county to pay a portion of the fees the county collects to the department to cover the actual costs of performing the analysis and reporting.

The pilot program was initially approved with no expenditure authority. On April 6, 2017, the Department of Administration notified the Joint Committee on Finance that it had approved a \$110,500 increase in expenditure in the sobriety programs appropriation on a one-time basis under s. 16.515 passive review. The Joint Committee on Finance notified the Department of Administration on April 26 that the Committee had not objected to the increase. The expenditure authority was utilized to contract with a vendor for a data collection and reporting system and for associated training and system modification and implementation costs which would be used for the report to the Legislature as well as for implementation of the program.

Work on the project with the contractor was suspended July 1, 2017, as no funding was provided in fiscal year 2017-18 for the project; however, the contract for data collection and reporting was not terminated. The department anticipates that the data collection and reporting system can be completed once authorized funding is restored for the program. The Frequent Sobriety Testing Pilot program sunsets on June 30, 2021.

Analysis:

The sobriety programs appropriation had \$110,500 in expenditure authority in fiscal year 2016-17. This authority was noncontinuing and the appropriation has \$0 in expenditure authority in fiscal year 2017-18 and fiscal year 2018-19. The department is requesting \$110,000 in expenditure authority for fiscal year 2017-18.

In fiscal year 2016-17, the department expended \$21,600 in supplies and services from the sobriety programs appropriation. The department has also encumbered an additional \$5,940 for supplies and services. These expenses and encumbrances are

related to server costs and employee training for the data collection and reporting system. The system was completed on June 30, 2017, but continued system modifications will be necessary, as well as licensing and personnel costs.

The department estimates that the data collection and reporting system requirements of the pilot program will cost \$62,900 in each fiscal year of the 2017-19 biennium. This includes \$36,000 in licensing costs, \$20,000 in server costs, \$1,500 in escrow costs and \$5,400 support services. The department estimates personnel costs of \$39,400 associated with the operation and management of the pilot project. The program will be staffed by a research analyst-advanced position and an administrative manager position. These are existing positions within the department; the department will charge back costs to the sobriety programs appropriation to reflect the personnel costs related to the pilot project. The department anticipates an additional \$7,700 in supplies and services costs related to the pilot project.

Item	FY18
Data Collection and Reporting System	\$62,900
Personnel Costs (salary and fringe)	\$39,400
Supplies and Services	\$7,700
Total	\$110,000

As previously mentioned, these costs will ultimately be charged back to the participating counties, who are collecting the revenue from participants. The department anticipates needing additional expenditure authority in fiscal year 2018-19 to support the program, but the amount required has not yet been determined and will likely be based on the amount of revenue received from the counties.

In its budget request, the department sought to convert the sobriety programs appropriation under s. 20.455(2)(gu) from an annual appropriation to a continuing appropriation. This request was included in the Governor's recommended budget, but was not approved by the Joint Committee on Finance. In addition, the Committee did not increase the expenditure authority for the appropriation.

Recommendation:

Approve the request.



STATE OF WISCONSIN
DEPARTMENT OF JUSTICE

BRAD D. SCHIMEL
ATTORNEY GENERAL

Paul W. Connell
Deputy Attorney General

Delanie M. Breuer
Chief of Staff

114 East, State Capitol
P.O. Box 7857
Madison, WI 53707-7857
608/266-1221
TTY 1-800-947-3529

Date: October 5, 2017

To: Scott Neitzel, Secretary
Department of Administration

From: Paul W. Connell, Deputy Attorney General *PC*
Department of Justice

Subject: Request for Expenditure Authority Under Wis. Stat. § 16.515

REQUEST

The Department of Justice requests an increase in expenditure authority of \$110,000 PR in fiscal year (FY) 2017-18 in the sobriety programs appropriation under § 20.455 (2)(gu) in order perform the Frequent Sobriety Testing Pilot Program data collection and reporting activities required under § 165.957.

BACKGROUND

The Frequent Sobriety Testing Pilot Program was created in the 2015-17 biennial budget, 2015 Wisconsin Act 55, for the purpose of reducing repeat operating while intoxicated (OWI) offenses and the recidivism rate for alcohol and drug-related crimes.

Program participants are individuals with two or more OWI or related convictions who have been ordered by a judge or by the Department of Corrections to refrain from using alcohol or a controlled substance as a condition of probation, release to parole or extended supervision, or participation in a deferred prosecution agreement. An individual may also voluntarily participate in the program by agreeing to refrain from using alcohol or a controlled substance while on probation, participating in a deferred prosecution agreement or released to parole or extended supervision.

Under the program, participants are frequently tested for alcohol or drug use and subject to immediate consequences for a positive test result or for failing to appear for testing. Monitoring for alcohol or drug use can take the form of regular reporting to a testing location or use of other continuous testing methods to test for the presence of alcohol.

Under § 165.957, the department may designate up to five counties to establish pilot Frequent Sobriety Testing programs and to collect, analyze and annually report to the Legislature on program participation and recidivism data.

When the program was established, the Legislature created the sobriety programs appropriation but did not provide expenditure authority to implement or operate the program. In December 2016, the department requested \$110,500 of expenditure authority in FY 2016-17, which was granted in April 2017, to contract with a vendor for a data collection and reporting system and for associated training and system modification and implementation costs.

The data collection and reporting system will be used by county personnel to enroll participants in the pilot program, collect participant demographic and other data, record and track testing requirements and results, collect and track participant fee payments and suspend and discharge participants. The system will be used by state personnel to analyze and report participation, testing and outcome data as required under § 165.957. Without access to the system, the counties will not be able to operate the frequent sobriety testing pilot programs.

Under the terms of the contract for the data collection and reporting system, the department may terminate the contract without penalty if funding from state sources is not obtained and continued at levels sufficient to purchase the specified quantity and term of services. Work under the contract was suspended on July 1, 2017, pending approval of additional expenditure authority for the program.

The department anticipates that acceptance and implementation of the data collection and reporting system will be complete soon after work can be restarted on the program, including required system modifications and training of identified state and county personnel. Participants will begin to be enrolled in the pilot programs following acceptance of the system, finalization of local contracts between the counties and the department, and completion of training.

REVENUE SOURCE

Under Wis. Stat. § 165.957, the department's and counties' costs of administering the program are supported by revenues from fees charged to participants. The department is required to establish a standard for setting participant fees that are sufficient to fund the counties' frequent sobriety testing programs and the department's actual costs of collecting, analyzing and reporting program results. The department's share of participant fee revenues will be deposited into the sobriety programs appropriation under § 20.455 (2)(gu).

The program budget includes funding to support the contractual costs of the data collection and reporting system and the time spent administering the program and analyzing and reporting program data by the director of the Bureau of Justice Information and Analysis and a Research Analyst-Advanced.

FY 2017-18	
<i>Data Collection and Reporting System</i>	
Subscription licenses	\$36,000
Server costs	\$20,000
Escrow costs	\$1,500
Support services	\$5,400
<i>Department of Justice Personnel</i>	
Salary	\$28,200
Fringe	\$11,200
Supplies and services	\$7,700
TOTAL	\$110,000

Thank you for your consideration of this request. Please contact Michelle Gauger at (608) 267-6714 or email gaugermc@doj.state.wi.us with any questions.