



Legislative Fiscal Bureau

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May 26, 2009

Joint Committee on Finance

Paper #302

Youth Aids Allocations (Corrections -- Juvenile Corrections)

[LFB 2009-11 Budget Summary: Page 226, #5]

CURRENT LAW

The community youth and family aids program (youth aids) provides each county with an annual allocation of state and federal funds from which a county may pay for juvenile delinquency-related services, including out-of-home placements and non-residential, community-based services for juveniles. Counties may supplement their expenditures on juvenile delinquency-related services with funding from other sources, including community aids, other state aids to counties, county tax revenues, and/or special grant monies.

Calendar year youth aids allocations are specified by statute and provided for the 2007-09 biennium. Distributions for 2007-09 are specified as follows: (a) \$49,395,100 for the last six months of 2007; (b) \$99,790,200 for 2008; and (c) \$50,395,100 for the first six months of 2009. Total funding appropriated for youth aids is \$100,790,200 in 2009 (\$98,341,000 GPR and \$2,449,200 PR).

GOVERNOR

Revise the calendar year allocations of youth aids funding for the 2009-11 biennium to amounts not to exceed: (a) \$49,891,100 for the last six months of 2009; (b) \$99,782,300 for 2010; and (c) \$49,891,200 for the first six months of 2011.

In addition, delete \$5,900,500 GPR and \$24,500 PR annually from the youth aids appropriation, a 5.9% reduction, associated with an across-the-board 1% reduction to agency appropriations and an additional 5% reduction to GPR appropriations.

Also, provide that funding for youth aids may be provided from a new continuing PR

appropriation entitled "Federal economic stimulus funds," which includes moneys received by the state, pursuant to federal legislation enacted during the 111th Congress for the purpose of reviving the U.S. economy. No estimated expenditure level is identified in the new appropriation.

DISCUSSION POINTS

1. Under current law, counties are financially responsible for the costs of juvenile delinquency-related services, except for: (a) the care of a juvenile who has been adjudicated as a serious juvenile offender; and (b) juveniles under the original jurisdiction of, or waived into, adult court and sentenced to state prison, but placed at a juvenile facility. Annual youth aids funding allocations are provided by the state to each county to support juvenile delinquency-related services.

2. Statutory provisions specify allocations for youth aids funding. The following table identifies youth aids allocation amounts and the distribution formula used to allocate them under current law.

Youth Aids Formula – Initial Calendar Year 2009 Allocations (GPR Funds except as indicated)

Base Allocation	\$78,275,500 (including \$2,449,200 PR)	<ol style="list-style-type: none"> 1. Original allocation, based on three factors with override: <ul style="list-style-type: none"> • County juvenile population (0-17/1980 census) • Average # arrests/county for Part I arrests (1975-78) • Average # county juvenile correctional placements (1975-78) • Overrides: counties would receive no less than 93% nor more than 115% of amount if correctional placements were only factor; also, counties would receive no less than 65% of amount provided by using the three-factor formula. 2. One-time adjustments to base allocation 3. Adjustment to correctional rates in prior years 4. Inflation increase for community programs in prior years <p>The county allocations of this base amount are not subject to change under current law.</p>
AODA Base Allocation	1,333,400	<ul style="list-style-type: none"> • Earmarked for AODA treatment • County youth aids balance available for community expenditures, CY 1999 thru 2001 ÷ statewide community programs balance = County % • County % x \$1,333,400 = County allocation • While considered a base allocation, the amount distributed to each county varies annually and is not incorporated as a fixed amount into a county's overall base allocation
Budget Increase (1999 Wisconsin Act 9)	4,000,000	<ul style="list-style-type: none"> • Under 1999 Wisconsin Act 9, \$4,000,000 was appropriated in 2000-01 as ongoing funding and will continue unless modified in subsequent legislation. The amount is allocated on the basis of the following factors, each factor weighted equally: (1) each county's proportion of the total statewide juvenile population for the most recent year for which that information is available; (2) each county's proportion of the total Part I juvenile arrests reported statewide under the uniform crime reporting system of the Office of Justice Assistance during the most recent three-year period for which that information is available; and (3) each county's proportion of the number of juveniles statewide who are placed in a juvenile correctional facility, a secured care center for children and youth or a secured group home during the most recent three-year period for which that information is available.
Budget Increase (2001 Wisconsin Act 16)	2,106,500	<ul style="list-style-type: none"> • Under 2001 Wisconsin Act 16, \$2,106,500 was appropriated in 2002-03 as ongoing funding and will continue unless modified in subsequent legislation. The amount is allocated on the basis of the three factors described above, but with an override provision that no county receives less than 93% nor more than 115% of the amount it would have received if juvenile correctional placements (the third factor) were the sole factor used to determine county

		allocations.
Budget Increase (2007 Act 20)	12,500,000	<ul style="list-style-type: none"> Under 2007 Wisconsin Act 20, \$12,500,000 was appropriated in 2008-09 as ongoing funding and allocated based on each county's proportion of the number of juveniles statewide who are placed in a juvenile correctional facility during the most recent three-year period for which information is available.
Arrest Supplement For Small Counties	200,000	<ul style="list-style-type: none"> Statutory provision governing the payment of supplemental funds repealed under 1995 Wisconsin Act 27, but funding left in youth aids appropriation Only counties with population of less than 50,000 eligible for supplemental funds Funds prorated on basis of each county's share of Part I juvenile arrests for all counties under 50,000 population for the most recent two years for which data is available
Initial Allocations	\$98,415,400	<ul style="list-style-type: none"> Initial allocations do not include other funds allocated late in, or after the end of, the calendar year. See below.
<p>Other Funds:</p> <ol style="list-style-type: none"> <u>Corrective Sanctions</u> - \$2,124,800 annually: 136 slots available; a county arranges with the state to receive services and is allocated funding based on the number of approved slots actually used (at an estimated \$74 per day of service). Funding allocated following close of calendar year. <u>Emergency Funds</u> - \$250,000 annually: Only a county with population under 45,000 is eligible. Eligible counties must demonstrate unplanned but appropriate juvenile correctional facility or CCI placements. Funding allocated late in calendar year. <u>County Carryover</u> - If unexpended youth aids at year end, county may carry over balance up to 5% of youth aids allocation or its unexpended balance, whichever is lower. <u>State Carryover</u> - Up to \$500,000 of youth aids or 10% of the total dollars unexpended by counties after county carryover is allocated, whichever is greater. DOC may allocate these funds to counties with persistently high rates of juvenile arrests for serious offenses, or for community-based juvenile delinquency-related services. The allocation of these monies is separate from the youth aids allocation and does not affect a county's base allocation. <p>Note: Initial allocations (\$98,415,400), corrective sanctions funds (\$2,124,800) and emergency funds (\$250,000) total \$100,790,200 in currently projected allocations in 2009. Amounts shown are funded with GPR, unless otherwise indicated.</p>		

3. Under the bill, statutory language would be modified to provide that youth aids amounts not exceed: (a) \$49,891,100 for the last six months of 2009; (b) \$99,782,300 for 2010; and (c) \$49,891,200 for the first six months of 2011.

4. While the statutory language allows for up to \$99,782,300 annually in expenditures for youth aids, the bill deletes funding of \$5,900,500 GPR and \$24,500 PR annually from the youth aids appropriation, associated with a 1% across-the-board cut (\$983,400 GPR and \$24,500 PR annually) and an additional 5% cut to agency GPR appropriations (\$4,917,100 annually). As a result of the cuts, total funding available for youth aids would be \$94,865,200.

5. Under the item for the additional 5% GPR reduction, the Executive Budget Book indicates that the Governor recommends providing the Department of Administration "the authority to allocate funds that may be received from federal economic recovery legislation that are intended to stabilize state budgets, as prescribed in that legislation, to offset reductions to agencies." This amount would be transferred from a federal program supplements appropriation to the youth aids appropriation at the discretion of the Secretary of the Department of Administration.

6. It appears that the intent of the bill is to replace the 5% funding reduction (\$4,917,100 GPR annually) with federal monies. However, no funding from the federal stimulus package is specifically allocated for this purpose. Further, the cuts in the bill would reduce base funding amounts for youth aids by \$5,900,500. Even if federal monies are provided to supplement

youth aids as recommended by the Governor, total annual funding for future bienna would be \$94,865,200 (all funds) since base funding is reduced and federal stimulus funding is one-time in nature.

7. Given the uncertainty of the use of the federal stimulus monies, and concerns that were expressed during the Committee's public hearings regarding the adequacy of funding for youth aids, the Committee may wish to restore the 1% and 5% cuts to youth aids. Under this alternative, the bill would be modified by \$5,900,500 GPR and \$24,500 PR annually. [Alternative 2]

8. Alternatively, the Committee could approve the 1% and 5% GPR cuts on a one-time basis. Further, federal funds could be directly appropriated to Corrections under a new FED appropriation and an equal reduction made under Program Supplements (\$5,900,500 annually). This alternative would appropriate federal monies to restore the GPR cuts. In addition, base funding for youth aid would be restored to the current GPR level for the 2011-13 biennium. The bill would be modified by \$24,500 PR annually. [Alternative 3]

9. For the 2007-09 budget, the Governor recommended providing additional funding for youth aids based on the increased costs resulting from the increased statutory daily rates for juvenile correctional facilities. As a result, an additional \$23.0 million was provided for 2007-09. For the 2009-11 budget, the Governor recommends increasing these statutory daily rates from \$268 in 2008-09 to \$270 in 2009-10 and \$275 in 2010-11. However, unlike the last budget, no additional funding is provided for youth aids associated with the increased rates.

10. On March 26, 2009, the Joint Legislative Council approved for introduction several bill drafts recommended by the Special Committee on High-Risk Juvenile Offenders, including proposed legislation to require the Department of Corrections to allocate additional funds to counties if there is an increase in the daily rates to cover the increases.

11. Considering the prior budget's additional youth aids funding for increased daily rates, and the Joint Legislative Council's approval of the Special Committee on High-Risk Juvenile Offenders' recommendation to require such an increase, the Finance Committee may wish to not only restore funding for youth aids, but also provide additional funding to address the increases to the statutory daily rates.

12. Under this alternative, the bill would be modified by \$6,294,700 GPR and \$24,500 PR in 2009-10 (\$5,900,500 GPR and \$24,500 PR associated with the Governor's proposed reductions, and \$394,200 GPR associated with the daily rates) and \$6,302,000 GPR and \$24,500 PR in 2010-11 (\$5,900,500 GPR and \$24,500 PR associated with the reductions, and \$401,500 GPR associated with the daily rates). [Alternative 4]

On the other hand, balancing the concerns of the state's current fiscal condition and the objective of providing sufficient youth aids funding, the Committee may wish to only restore the cuts to youth aids funding at this time.

13. The attached table identifies the initial youth aids allocations to counties under current law for 2009. Further, based on the data from the 2009 allocations, the attachment identifies

how additional funding would be distributed: (a) under AB 75, with the assumption that the 5% GPR reduction will be restored utilizing federal monies; and (b) if funding was restored to current law amounts and additional funding was provided to cover the increases to the statutory daily rates. [Alternative 3 and 4] If the Committee restores the cuts to youth aids in the bill, but provides no additional funding for the increased statutory daily rates, allocations would resemble those provided under current law for 2009. [Alternative 2]

ALTERNATIVES

1. Approve the Governor's recommendation to revise the calendar year allocations of youth aids funding for the 2009-11 biennium to amounts not to exceed: (a) \$49,891,100 for the last six months of 2009; (b) \$99,782,300 for 2010; and (c) \$49,891,200 for the first six months of 2011. Delete \$5,900,500 GPR and \$24,500 PR annually from the youth aids appropriation, associated with an across-the-board 1% reduction to agency appropriations (-\$983,400 GPR and -\$24,500 PR annually) and an additional 5% reduction to GPR appropriations (-\$4,917,100 GPR annually).

2. Modify the Governor's recommendation by removing the 1% reduction (-\$983,400 GPR and -\$24,500 PR annually) and the 5% GPR reduction (-\$4,917,100 GPR annually) from the bill. Under this alternative, statutory allocations would be revised not to exceed: (a) \$50,395,100 for the last six months of 2009; (b) \$100,790,200 for 2010; and (c) \$50,395,100 for the first six months of 2011. Total funding appropriated for youth aids would remain at the current law amount of \$100,790,200 (\$98,341,000 GPR and \$2,449,200 PR).

ALT 2	Change to Bill Funding
GPR	\$11,801,000
PR	<u>49,000</u>
Total	\$11,850,000

3. Modify the Governor's recommendation by specifying that the 1% and 5% GPR reductions only occur in the 2009-11 biennium. Create a FED appropriation for youth aids and provide \$5,900,500 FED annually. Reduce Program Supplements, by a corresponding amount. Under this alternative, statutory allocations would be revised not to exceed: (a) \$50,395,100 for the last six months of 2009; (b) \$100,790,200 for 2010; and (c) \$50,395,100 for the first six months of 2011. Total funding appropriated for youth aids would remain at the current law amount of \$100,790,200 (\$92,440,500 GPR, \$5,900,500 FED, and \$2,449,200 PR).

ALT 3	Change to Bill Funding
PR	\$49,000

4. In addition to either Alternative 2 or 3, provide an additional \$394,200 GPR in 2009-10 and \$401,500 GPR in 2010-11 for youth aids associated with increased statutory daily rates.

Under this alternative, statutory allocations would be revised not to exceed: (a) \$50,592,200 for the last six months of 2009; (b) \$101,188,100 for 2010; and (c) \$50,595,900 for the first six months of 2011. Total funding appropriated for youth aids would be \$101,184,400 in 2009-10 (\$98,735,200 GPR and \$2,449,200 PR) and \$101,191,700 in 2010-11 (\$98,742,500 GPR and \$2,449,200 PR).

ALT 4	Change to Bill
	Funding
GPR	\$795,700

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Attachment

ATTACHMENT

Youth Aids Allocations by County Current Law, Assembly Bill 75, and Alternatives

County	Initial 2009 Allocations Current Law (and Alternatives 2 and 3)	Governor's Recommendations AB 75 (Including Federal Stimulus Funding)	Alternative 4	
			2009-10	2010-11
Adams	\$269,991	\$267,291	\$271,501	\$271,529
Ashland	226,340	224,177	226,340	226,340
Baron	501,761	496,743	502,310	502,320
Bayfield	157,559	155,983	157,559	157,559
Brown	2,494,684	2,469,737	2,503,334	2,503,494
Buffalo	62,180	61,558	62,180	62,180
Burnett	227,754	225,576	228,166	228,174
Calumet	336,037	332,677	336,998	337,016
Chippewa	731,777	724,559	735,347	735,413
Clark	512,410	507,286	512,959	512,969
Columbia	420,918	416,709	422,154	422,177
Crawford	159,453	157,858	159,728	159,733
Dane	7,115,298	7,044,145	7,155,665	7,156,413
Dodge	793,999	786,159	796,745	796,796
Door	236,450	234,186	236,999	237,009
Douglas	1,114,155	1,103,113	1,114,567	1,114,575
Dunn	247,593	245,117	247,730	247,733
Eau Claire	1,327,973	1,314,693	1,333,740	1,333,847
Florence	68,099	67,518	68,374	68,379
Fond du Lac	1,199,140	1,187,149	1,205,456	1,205,573
Forest	91,047	90,137	91,459	91,467
Grant	282,474	279,649	282,611	282,614
Green	247,325	244,852	247,325	247,325
Green Lake	141,980	140,560	142,117	142,120
Iowa	176,905	175,136	177,042	177,045
Iron	53,542	53,107	53,679	53,682
Jackson	200,825	198,817	200,962	200,965
Jefferson	675,586	668,830	675,998	676,006
Juneau	311,422	308,308	312,932	312,960
Kenosha	3,952,686	3,913,159	3,975,341	3,975,761
Kewaunee	133,614	132,278	133,889	133,894
LaCrosse	1,445,080	1,430,629	1,448,513	1,448,576
LaFayette	96,877	95,908	97,289	97,297
Langlade	394,335	390,392	394,472	394,475
Lincoln	438,807	434,519	440,043	440,066

County	Initial 2009	Governor's	Alternative 4	
	Allocations	Recommendations	2009-10	2010-11
	Current Law (and	AB 75 (Including		
	Alternatives 2 and 3)	Federal Stimulus Funding)		
Manitowoc	\$689,721	\$682,824	\$690,819	\$690,840
Marathon	1,707,371	1,690,297	1,712,177	1,712,266
Marinette	631,385	625,071	633,856	633,902
Marquette	108,641	107,555	108,916	108,921
Menominee	619,486	613,291	622,507	622,563
Milwaukee	37,064,863	36,694,214	37,244,457	37,247,783
Monroe	780,437	772,633	781,810	781,835
Oconto	416,992	412,822	418,777	418,810
Oneida	649,754	643,256	652,500	652,551
Outagamie	1,997,999	1,978,019	2,003,354	2,003,453
Ozaukee	757,136	749,565	758,921	758,954
Pepin	63,984	63,344	63,984	63,984
Pierce	320,128	316,927	320,265	320,268
Polk	496,760	491,792	498,270	498,298
Portage	674,004	667,264	677,574	677,640
Price	146,525	145,060	146,525	146,525
Racine	4,756,654	4,709,087	4,773,680	4,773,995
Richland	101,998	100,978	102,135	102,138
Rock	3,753,878	3,716,339	3,765,961	3,766,185
Rusk	251,246	248,734	251,658	251,666
St. Croix	634,389	628,045	635,076	635,088
Sauk	675,148	668,397	679,542	679,623
Sawyer	230,196	227,894	231,157	231,175
Shawano	577,445	571,671	577,994	578,004
Sheboygan	1,581,890	1,566,071	1,592,325	1,592,518
Taylor	228,872	226,583	229,421	229,431
Trempealeau	186,672	184,805	188,045	188,070
Vernon	210,850	208,742	210,850	210,850
Vilas	327,618	324,342	328,854	328,877
Walworth	1,126,737	1,115,570	1,132,229	1,132,331
Washburn	186,171	184,309	186,583	186,591
Washington	1,361,598	1,347,982	1,363,383	1,363,416
Waukesha	3,900,470	3,861,565	3,905,550	3,905,644
Waupaca	569,798	564,100	570,485	570,497
Waushara	306,956	303,886	307,917	307,935
Winnebago	2,145,563	2,124,107	2,159,705	2,159,967
Wood	<u>1,329,989</u>	<u>1,316,689</u>	<u>1,330,813</u>	<u>1,330,828</u>
Total	\$98,415,400	\$97,432,300	\$98,809,600	\$98,816,900
Corrective Sanctions	\$2,124,800	\$2,124,800	\$2,124,800	\$2,124,800
Emergency Funding	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Total Youth Aids	\$100,790,200	\$99,807,100	\$101,184,400	\$101,191,700