



Joint Committee on *Finance* SINCE 1911

Budget Update 5/19/15

Messaging

On Tuesday, the co-chairs of the state's budget-writing Joint Finance Committee (JFC), State Senator Alberta Darling (R-River Hills) and State Representative John Nygren (R-Marinette), issued the following statement regarding the JFC's investment in K-12 education:

"Despite a difficult budget, our top priority is investing in public education. Our children are the future leaders of our state, and public schools are integral to the growth and success of students throughout Wisconsin. It is for this reason that we have committed to going above and beyond restoring funds to K-12 education.

"This budget, we are restoring funding by \$150 per pupil in the first year and adding an extra \$100 per pupil in the second year. That's an added investment of over \$200 million over the biennium. This funding increase will help ensure that our state's public school system is strong and Wisconsin students continue to have access to high quality education.

"Budgets are about priorities; our state budget is no different. We are spending within our means to ensure a financially sustainable state. As the JFC moves forward with the budget process, we will continue to work to reduce the size of government, cut the red tape that inhibits job growth and creation, and lessen the financial burden on hardworking Wisconsin taxpayers."

Agenda Items

Wisconsin Health and Educational Facilities Authority

Governor's position prevails.

Medical College of Wisconsin

Governor's position prevails.

Budget Management and Compensation Reserves

Required General Fund Statutory Reserve (Paper #170)

The Committee set the statutory reserve at \$65 million. (Alt. A1, B2, 12-4)

Limit on Interfund Cashflow Borrowing (Paper #171)

Governor's position prevails.

JFC moved to require every agency to submit their budget in 3 different forms: no increase, cost to continue, and requested changes. (Motion#417, 13-3)

The Committee required that any surplus revenue first go toward the funding the statutory reserve before it goes to the Rainy Day Fund. (Motion#444, 16-0)

Employee Trust Funds

Annual Payments to Eligible Employees in Lieu of Health

Insurance Coverage (Paper #270) JFC adopted Alt. 1 but included changes to qualifying for \$2,000 opt-out incentive. ([Motion#452](#), 12-4)

Compensation Reserves and Reserves for Health Insurance (Paper #271)

Require the Group Insurance Board to submit any proposed changes to the group health insurance program JCOER and for that committee to approve those changes. The Governor would then be allowed to approve or veto those changes. JCOER would have the ability to override any veto. ([Motion#440](#), 12-4)

Transfer of Procurement Position to the Department of

Administration (Paper #272) The Committee deleted the provision and specified that DOA may not require ETF to utilize DOA procurement and purchasing services. (Alt. 2, 3, 16-0)

Administration of Optional Insurance Plans (Paper #273)

JFC deleted the provision. (Alt. 3, 12-4)

The Committee voted to raise the retirement age for elected officials to 65 starting in 2017. ([Motion#428](#), 16-0)

Motion to reconsider adopted by unanimous consent. (Motion #456, Adopted 16-0)

JFC improved legislative oversight by requiring Senate consent for members of the Group Insurance Board. ([Motion#423](#), 16-0)

Drug Screening and Testing

[Work Experience Program Drug Testing and Treatment \(Paper #216\)](#)

[Drug Screens and Tests as a Condition of Eligibility for Adults without Dependent Children in BadgerCare Plus \(Paper #355\)](#)

[FoodShare Employment and Training Drug Testing \(Page #370\)](#)

[Drug Testing for UI Program \(Paper #740\)
Correction for Paper #740](#)

The Committee approved the Governor's position in papers #216, 355, 370, and 740 with modifications and clarifications in an omnibus motion. The motion will:

- Create an annual appropriation and provide \$250,000 GPR in 2015-16 and 2016-17 to DCF for drug screening, testing and treatment costs. Additionally, the motion requires DCF to pay for all costs of substance abuse treatment not otherwise covered by MA, private insurance, or other coverage.
- Before submitting an amendment to the current childless adults waiver agreement that would permit drug testing, the motion requires DHS to submit a report to the JFC that summarizes provisions and estimates the fiscal effect of that proposed amendment. Additionally, if CMS approves an amendment to the current childless adults waiver agreement to permit drug testing, a report must be submitted to the JFC that summarized the provisions and estimates the fiscal effect of the CMS-approved amendment.
- This motion deleted provisions in the bill related to the screening and testing of FoodShare Employment and Training (FSET) participants. Instead, DHS will promulgate rules to develop and implement drug screening and treatment as described in [2015 AB 191](#).
- The motion modifies the governor's recommendation regarding drug testing for certain UI claimants. Stipulations of this modification are specifically noted in the motion text.

([Motion#455](#), 11-4 Rep. Loudenbeck absent)

Corrections -- Departmentwide

[Overtime Funding \(Paper #230\)](#)
Governor's position accepted

[Risk Management \(Paper #231\)](#)
JFC approved the Governor's recommendation to provide \$3,067,300 GPR and \$432,700 PR annually for increased premium costs associated with Corrections' risk management program. The Committee further modified the Governor's recommendation to provide funding for increased risk management premiums by: 50% 1,533,700 GPR 216,400 PR, - 3,067,200 GPR -432,600 PR (Alt. 2B, 12-4)

[Eliminating Long-Term Vacancies \(Paper #232\)](#) JFC modified the Governor's recommendation by also deleting the funding amounts associated with the PR positions of \$1,910,700 PR annually. (Alt. 2, 16-0)

Corrections -- Adult Corrections

Adult Correctional Facility Populations -- Male Population and Inflationary Costs and Prison Contract Bed Funding (Paper #235)

The Committee reestimated average daily population in adult correctional facilities for male inmates to be 21,151 in 2015-16 and 21,484 in 2016-17. Provide additional funding associated with: (a) variable non-food costs for 150 inmates at the Sturtevant Transitional Facility (\$148,600 GPR annually); and (b) contract bed funding for an additional 14 beds in 2015-16 and an additional 220 beds in 2016-17 (\$412,300 GPR in 2015-16 and \$4,280,800 GPR in 2016-17). (Alt. 1, 16-0)

Adult Correctional Facility Populations -- Females; Female Housing Unit (Paper #236) JFC voted to provide \$115,200 GPR in 2015-16 and \$127,600 GPR for population-related funding as a result of revised prison projections for females being 23 inmates higher in 2015-16 and 25 inmates higher in 2016-17. Further the Committee, modified the Governor's recommendation for Taycheedah Correctional Institute. JFC modified the Governor's recommendation to remove population-related funding included in the provision, since inmate variable cost funding is already provided separately in the bill (-\$300,400 GPR in 2015-16 and -\$306,100 GPR in 2016-17). (Alt. A1, B2, C2, 15-0 Sen. Erpenbach absent)

Reduce Third Shift Tower Staffing Positions (Paper #237)

The Committee adopted the Governor's position, but retained 6 GPR positions for third shift staffing at Waupun Correctional Institution. ([Motion#450](#), 13-3)

Opioid Addiction Treatment Pilot Program (Paper #238)

JFC modified Alt. 3 and required that the funding will be placed into the Committee's supplemental appropriation. Corrections will have to submit a plan for the funding to JFC. ([Motion#448](#), 16-0)

Correctional Officer Pre-Service Training Standards Board (Paper #239)

JFC deleted the provision. (Alt. 2, 16-0)

Prison Industries Procurement Pricing (Paper #103)

The Committee approved the Governor's position. (Alt. 1, 16-0)

Corrections -- Community Corrections

GPS Tracking Funding (Paper #245)

Governor's provision adopted by unanimous consent.

Community Corrections Supervision Fees (Paper #246)

Governor's position accepted.

New Interstate Compact Applications Appropriation (Paper #247)

JFC Approved the Governor's recommendation, with the modification that the new program revenue appropriation is an annual, rather than continuing, appropriation. (Alt. 3, 16-0)

Remove Requirement for Funding for Certain Community Reintegration Services (Paper #248) Governor's position prevails.

Corrections -- Juvenile Corrections

Juvenile Population Estimates, Population and Inflationary Costs, Statutory Daily Rates, Serious Juvenile Offenders (Paper #250) Modification accepted by unanimous request.

Add-On To Statutory Daily Rate (Paper #251)
Governor's position stands.

Statutory Daily Rates -- Corrective Sanctions, Agency PR Lapse Requirement (Paper #252) JFC modified the Governor's recommendation by including a portion of Corrections' lapse requirement in the corrective sanctions projected expenditures for 2016-17. As a result, the statutory daily rate for corrective sanctions would be increased by \$9 in 2016-17. (Alt. 3, 12-4)

Transfer Juvenile Community-Based Delinquency-Related Services and Youth Aids to Children and Families (Paper #253) The Committee approved the Governor's recommendation, modified to incorporate the clarifications identified by DOC and DCF. (Alt. 2, 16-0)

Juvenile Correctional Community Supervision Services (Paper #254)
Governor's position accepted.

Public Instruction -- General School Aids and Revenue Limits

State Support for K-12 Education, General Schools Aids, and Revenue Limit Per Pupil Adjustment (Paper #505)

Integration Aid/Chapter 220 Program (Paper #506)

Public Instruction -- Categorical Aids

Per Pupil Aid (Paper #510)

Sparsity Aid (Paper #511)

High Cost Transportation Aid (Paper #512)

Cooperative Educational Service Agencies (Paper #513)

Public Instruction -- Choice, Charter, and Open Enrollment

Private School Choice Program Expansion (Paper #520)

Charter School Oversight Board (Paper #521)

Contract Requirements for Independent "2r" Charter Schools (Paper #522)

Public Instruction -- District Operations and Standards

Educational Standards (Paper #530)

School and School District Accountability Reports (Paper #531)

Public Instruction -- Administrative and Other Funding

[Elimination of Long-Term Vacancies](#) (Paper #535)

[Pupil Assessments](#) (Paper #536)

[Alternative Assessments](#) (Paper #537)

[Alternative Teaching Licenses](#) (Paper #538)

The Committee made numerous changes to the Education portion of the budget including restoring funding by \$150 per pupil in the first year and adding an extra \$100 per pupil in the second year. That's an added investment of over \$200 million over the biennium. ([Motion#457](#), 12-4)

Up Next

The Joint Committee on Finance will meet in Executive Session on the 2015-17 biennial budget on Thursday, May 21, 2015, at 10:00 a.m. The meeting will be held in Room 412 East, State Capitol. The Executive Session will be held on the budgets of the following agencies:

Government Accountability Board
Department of Financial Institutions and Professional Standards
Department of Financial Institutions
Department of Safety and Professional Services - Agencywide Provisions
Department of Safety and Professional Services -- Program Transfers
Forward Wisconsin Development Authority/Wisconsin Economic Development Corporation
Wisconsin Housing and Economic Development Authority
Department of Health Services -- Departmentwide
Health Services -- Medical Assistance -- General
