



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

October 13, 2009

TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Corrections: Section 13.10 Request to Transfer Youth Aids Funding between Fiscal Years -- Agenda Item I

### REQUEST

The Department of Corrections requests the transfer of funding appropriated in 2010-11 (\$5,900,500 FED) for use in the 2009-10 fiscal year, as well as the transfer of GPR funding appropriated in 2009-10 (\$5,900,500 GPR) to use in the 2010-11 fiscal year. The GPR and FED appropriations support the community youth and family aids program ("youth aids").

### BACKGROUND

Annual funding for the youth aids program totals \$100,790,200 (\$92,440,500 GPR \$2,449,200 PR and \$5,900,500 FED) for 2009-10 and 2010-11. During the 2009-11 biennial budget deliberations, a FED appropriation for youth aids was created and appropriated \$11,801,000 FED (\$5,900,500 FED annually) from federal stimulus monies received by the state, pursuant to federal legislation enacted during the 111<sup>th</sup> Congress for the purpose of reviving the U.S. economy. A corresponding amount of funding from the Department's GPR appropriation was reduced. Because the federal monies are one-time in nature, non-statutory language [Act 28, section 9111(2j)] was created to specify that the GPR reduction was one-time in nature and that GPR funding for youth aids would be restored to the prior base level (\$98,341,000 GPR) for the 2011-13 biennium.

### ANALYSIS

The Department requests authorization to spend the entire \$11,801,000 FED in 2009-10, rather than \$5,900,500 FED in each year of the biennium, and instead utilize \$11,801,000 GPR in

2010-11, rather than \$5,900,500 GPR in each year. There is no net fiscal effect for youth aids. The Department indicated in its request that the "federal government is urging states to promptly spend their state fiscal stabilization funds to help drive the nation's economy. Therefore DOC proposes to transfer \$5,900,500 PR-F for Youth Aids currently allocated in FY11 to FY10." Since there is no net effect and the Department wishes to administer its youth aids funding in this manner, the Committee may wish to approve the request.

On the other hand, since the same amount of funding will be expended in each year, it is not clear how the transfer would impact the economy. Further, since the biennial budget act specified that GPR funding would be fully restored for the 2011-13 biennium, the transfer of funding (or lack thereof) would not impact base funding amounts in the future. As such, the Committee may wish to deny the request.

### **ALTERNATIVES**

1. Approve the request to transfer \$5,900,500 FED in 2010-11 to 2009-10 within the Department's federal youth aids appropriation [s. 20.410(3)(o)], and the transfer of \$5,900,500 GPR in 2009-10 to 2010-11 within the Department's GPR youth aids appropriation [s. 20.410(3)(cd)].
2. Deny the request.

Prepared by: Chris Carmichael