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*Milwaukee County*  
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**Joint Finance Committee Testimony on the 2013-15 State Budget**

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Milwaukee County

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Good morning Senator Darling, Representative Nygren, and members of the Committee. On behalf of Milwaukee County, I appreciate the opportunity to be with you today. I am grateful for the hard work the Governor and all of you have and will put into this process. However, there are some provisions of the proposed budget that I want to encourage you to rethink. Today, to be respectful of your time, I will outline only the most salient concerns.

As you are well aware, few priorities are as important in the current economy as creating and maintaining private sector jobs. That is why we are especially concerned about the proposed budget's effects on our already severely strained transit system.

Maintaining a thriving transit system in Milwaukee County is a key part of keeping the economic engine of our County and our state strong.

About 39% of the 151,000 daily rides on the Milwaukee County transit system connect workers to their jobs, while another 5% use transit to get to job interviews. And thousands more – 11% of all riders – are future workers now at Milwaukee Public Schools and colleges and universities, who use the transit system to get the skills and

training they need to become productive members of our community and of Wisconsin's economy.

During the last biennial budget, state transit aids were cut by 10% leaving Milwaukee County's transit system in a vulnerable position. The Congestion Mitigation and Air Quality Improvement (CMAQ) Program funds used to temporarily preserve service in Milwaukee County will run out in 2014, and will not be available thereafter to fill the gap created by the 10% cut in state transit aids.

With gas prices hovering at record levels and funding for road building set to increase, we encourage you to restore transit funding in the state budget so that our workers can get to their jobs and seniors can get to their doctors and other vital activities. Predictable and restored state funding for transit is crucial to a healthy economy and the quality of life in every corner of the County, in ways big and small.

Transit is as integral a part of the transportation system as roads and requires the same stable dedicated funding from the segregated Transportation Fund. Our community needs restored transit funding and transit funding stability, and I urge you to restore the cuts with interest.

The proposed 2013 budget also has significant impacts on the child support program state wide, leaving in place a scheduled 50% reduction in General Purpose Revenue Child Support funding. The reduction of \$4.25 million state-wide from the 2011 level would result in an additional loss of \$8.5 million in federal matching revenues. This loss of revenue would almost certainly lead to service reductions, not only in Milwaukee County, but in other Counties as well, that would have an impact on the State's ability to meet federal performance measures, which could result in a further loss of federal performance funding. And, most importantly, for each dollar of funding Child Support

loses in Wisconsin, children and their families lose \$6.44. This is a cut our economy and our community cannot afford.

The effect in Milwaukee County will be that Child Support Services will have fewer resources to connect families to fathers and to needed financial support – fewer resources to empower families to stay off of government assistance. In his State of the State address, Governor Walker said he wanted to end peoples' dependence on government. County child support agencies work toward this end by obtaining health insurance orders in 97% of the cases they file, placing 38,666 BadgerCare eligible kids onto their parents' insurance in 2012. In addition, outside of a paycheck, Child Support is the 2nd biggest factor in keeping female head-of-household single parent families off of public assistance.

The Child Support Program also encourages intact families and marriage. Married couples living together do not pay child support. If unwed parents marry and take care of their kids, Child Support is out of the picture.

Child Support supports work and job placement. Child Support, working with Family Courts, orders people into work training and placement programs. In a 2009 study, Texas found that payers ordered into programs like our Children First are 21% more likely to get a job, and paid child support 47% more often.

I urge you to keep our nationally high-performing child support programs whole and return their funding to their pre-2012 level, a relatively minimal investment that leverages federal dollars and large results.

Milwaukee County was thrilled to hear Governor Walker's commitment to invest nearly \$30 million in mental health programs. I know Governor Walker's time as Milwaukee County Executive gave him a firsthand look at the challenges our mental health care

system faces. I speak for many people in Milwaukee County when I say that I hope Milwaukee County gets a sizeable proportion of that funding to leverage into better service for our community. In the past, Milwaukee County has relied too heavily on crisis treatment and institutionalization. The Comprehensive Community Services and Peer Run Respite Centers initiatives outlined in the Governor's 2013-15 biennial budget proposal complements efforts underway in the County to reverse that trend. Our goal is to move away from institutionalized mental health care and to provide opportunities for individuals to become integrated into their communities and to live independently.

Many of the initiatives outlined in the budget can help us reach this goal, but I have some concerns. About 5,000 individuals in Milwaukee County meet the criteria for the Comprehensive Community Services program. However, the available funding for this program would cover only 3,200 individuals statewide. This puts us at risk. Should we fail to secure Medicaid revenue to cover the remaining individuals, counties could be forced to pay the remaining amount to maintain this program.

Milwaukee County shares Governor Walker's dedication to improving mental health care resources available to young people. While Milwaukee County won't directly benefit from the Coordinated Services Teams program, evidence-based programs like Wraparound and the Milwaukee County Accountability Program, or M-CAP, show how early intervention and providing community resources result in better outcomes for youth. Services like these often require the coordination of multiple systems of care. Milwaukee County supports the creation of an Office of Children's Mental Health to ensure that we continue to best meet the needs of Wisconsin's children. Working with the Governor's Office and the Wisconsin Department of Health Services, I am confident we can expand the number of community based services available in Milwaukee County which would likely help save money while offering individuals suffering with mental illness more treatment options.

Finally, I am concerned about the provision in the budget that would require the County to reduce its property tax levy by the same amount as any debt service decline for debt issued prior to 2005. Milwaukee County made a prudent choice a decade ago to limit the issuance of new debt precisely so that its finances would be improved in future years.

If the County is allowed to retain the flexibility to reinvest levy dollars into programs as the tax levy for pre-2005 debt service declines, we can have the option to reduce the tax levy or make investments in critical services - like community-based mental health - and other infrastructure improvements that will continue to drive efficiency and reduce costs. The County's long-term sustainability is already challenging; the levy limit change will make it even more difficult to sustain programs by further limiting its fiscal flexibility.

I understand many other municipalities across the state share this concern. I ask you to reconsider this provision and allow counties and cities to maintain the flexibility that prudent debt management has provided.

Thank you for the opportunity to comment today and for your support of Milwaukee County. I look forward to working with you as the budget deliberations move forward and I am happy to answer any questions.