

Military Affairs

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(over)

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May 25, 2023

Joint Committee on Finance

Paper #550

Federal and Program Revenue Reestimates (Military Affairs)

[LFB 2023-25 Budget Summary: Page 414, #2]

CURRENT LAW

The National Guard program revenue (PR) military property annual appropriation [s. 20.465(1)(g)] for military property repair and maintenance is utilized in conjunction with DMA's GPR funds for repair and maintenance [s. 20.465(1)(b)]. Base funding for the military property appropriation is \$1,355,000 PR.

The National Guard federal aid continuing appropriation for improvement, repair, maintenance, or operation of armories or other military property [s. 20.465(1)(m)] has base funding of \$39,787,700 FED.

The emergency management services federal aid for state operations continuing appropriation [s. 20.465(3)(m)] provides the state with 50% of the federal Emergency Management Performance Grant (EMPG) funds. Expenditures typically support staff funding and aids to other state agencies for public assistance grants, hazard mitigation grants, and hazmat training. Base funding for the appropriation is \$5,331,700 FED.

The emergency management services federal aid for local assistance continuing appropriation [s. 20.465(3)(n)] provides federal aid payments to local units of government for public assistance, EMPG, hazard mitigation, and the Hazardous Materials Emergency Preparedness (HMEP) grant. Base funding for the appropriation is \$12,800,000 FED.

The emergency management services federal aid to individuals and organizations continuing appropriation [s. 20.465(3)(o)] provides funding to not-for-profit organizations for public assistance and hazard mitigation. Base funding for the appropriation is \$1,926,400 FED.

The National Guard youth programs gifts and grants continuing appropriation [s.

20.465(4)(h)] supports the Wisconsin National Guard Challenge Academy. Base funding for the appropriation is \$0 PR.

DISCUSSION POINTS

1. Under Assembly Bill 43/Senate Bill 70, revenue reestimates would be provided for the appropriations under s. 20.465(1)(m), 20.465(3)(m), 20.465(3)(n), 20.465(3)(o), and 20.465(4)(h). Additionally, while not included in under AB 43/SB 70, the Department indicates that its National Guard military property annual PR appropriation [s. 20.465(1)(g)] used for military property repair and maintenance could be reestimated.

Appropriation Reestimates under AB 43/SB 70

<u>Section</u>	<u>Appropriation Title</u>	<u>Fund Source</u>	<u>Reestimate</u>
20.465(1)(m)	National Guard operations; federal aid	FED	\$6,891,900
20.465(3)(m)	Federal aid, state operations	FED	26,900
20.465(3)(n)	Federal aid, local assistance	FED	15,491,700
20.465(3)(o)	Federal aid, individuals and organizations	FED	2,981,900
20.465(1)(g)*	Military property	PR	152,100
20.465(4)(h)	National Guard youth programs; gifts and grants	PR	1,700

* Not included under AB 43/SB 70.

2. A federal revenue reestimate for the emergency management services federal aid for local assistance continuing appropriation [s. 20.465(3)(n)] is intended to account for higher disaster expenditures that occurred for hazard mitigation and public assistance during the COVID-19 pandemic. The reestimate of \$15,491,700 was calculated by averaging expenditures from the appropriation between 2020 and 2022. Local governments made expenditures for disaster projects during the pandemic and applied for reimbursement from the Federal Emergency Management Agency (FEMA). The Department anticipates increased revenues and expenditures from this appropriation over the next three years as the Federal Emergency Management Agency (FEMA) provides funds to reimburse local governments for projects that were submitted and approved. This funding will then pass through the Department to local governments with approved projects. Examples of projects include the purchase and distribution of personal protective equipment and COVID-19 testing. Hazard mitigation grants provided for COVID-19 expenses are 100% federally reimbursed.

3. The revenue reestimates for the National Guard federal aid for improvement, repair, maintenance, or operation of armories or other military property [s. 20.465(1)(m)] and the National Guard youth programs gifts and grants continuing appropriations [s. 20.465(4)(h)] were calculated by averaging expenditures over a six-year period (2017 through 2022). The revenue reestimate for the emergency management services federal aid for state operations continuing appropriation [s. 20.465(3)(m)] was calculated by averaging expenditures over a four-year period (2017 through 2020).

as expenditures were higher than usual in 2021 and 2022 due to one-time funding from the COVID-19 pandemic. The revenue reestimates for the emergency management services federal aid to individuals and organizations continuing appropriation [s. 20.465(3)(o)] and the emergency management services federal aid for local assistance continuing appropriation [s. 20.465(3)(n)] were calculated by averaging expenditures over a three-year period (2020 through 2021) because the increased expenditures incurred under these appropriations during the COVID-19 pandemic are anticipated to persist in the 2023-25 biennium. According to the Department, revenue reestimates recommended in the budget bill for these appropriations would prevent DMA from needing to continuously request additional expenditure authority (from DOA for federal appropriations, and under s. 16.515 for program revenue), and would reduce administrative burden.

4. The Department indicates that its National Guard military property annual PR appropriation [s. 20.465(1)(g)] used for military property repair and maintenance could be reestimated due to increased costs for snow plowing and other repairs in 2022-23. According to the Department, PR funds in this appropriation are utilized when the GPR appropriation for repair and maintenance [s. 20.465(1)(b)] is exhausted. In 2022-23, increased costs resulted in an increased use of the PR military property appropriation. The Department indicates that the amount of the reestimate (\$152,100 PR) reflects the estimated increase in expenditures from this appropriation by the end of 2022-23. Program revenues for the appropriation are derived from rental of a DMA-owned cellular tower and the sale of DMA equipment and facilities; for example, sale of an armory. The Department indicates that it has sufficient ongoing PR to support the reestimate.

5. Given that the Department's revenue projections and estimated program needs exceed the expenditure authority for a number of federal and PR appropriations, the Committee could provide reestimates totaling \$25,392,400 FED and \$153,800 PR annually [Alternative 1]. Reestimates would be provided to the following appropriations: (a) \$6,891,900 FED annually to the National Guard federal aid continuing appropriation for improvement, repair, maintenance, or operation of armories or other military property [s. 20.465(1)(m)]; (b) \$26,900 FED annually to the emergency management services federal aid for state operations continuing appropriation [s. 20.465(3)(m)]; (c) \$15,491,700 FED annually to the emergency management services federal aid for local assistance continuing appropriation [s. 20.465(3)(n)]; (d) \$2,981,900 FED annually to the emergency management services federal aid to individuals and organizations continuing appropriation [s. 20.465(3)(o)]; (e) \$152,100 PR annually to the National Guard PR military property annual appropriation for military property repair and maintenance [s. 20.465(1)(g)]; and (f) \$1,700 PR annually to the National Guard youth programs gifts and grants continuing appropriation [s. 20.465(4)(h)].

6. The Committee could take no action. [Alternative 2] For the FED appropriations, if reestimates were not provided, the Department could increase expenditure authority by seeking approval from DOA. For the PR appropriations, the Department could seek additional expenditure authority through a passive review request (s. 16.515 of the statutes).

ALTERNATIVES

1. Provide \$25,392,400 FED and \$153,800 PR annually to reflect current revenue projections and estimated program needs for the following appropriations: (a) \$6,891,900 FED

annually to the National Guard federal aid continuing appropriation for improvement, repair, maintenance, or operation of armories or other military property [s. 20.465(1)(m)]; (b) \$26,900 FED annually to the emergency management services federal aid for state operations continuing appropriation [s. 20.465(3)(m)]; (c) \$15,491,700 FED annually to the emergency management services federal aid for local assistance continuing appropriation [s. 20.465(3)(n)]; (d) \$2,981,900 FED annually to the emergency management services federal aid to individuals and organizations continuing appropriation [s. 20.465(3)(o)]; (e) \$152,100 PR annually to the National Guard PR military property annual appropriation for military property repair and maintenance [s. 20.465(1)(g)]; and (f) \$1,700 PR annually to the National Guard youth programs gifts and grants continuing appropriation [s. 20.465(4)(h)].

ALT 1	Change to Base
FED	\$50,784,800
PR	<u>307,600</u>
Total	\$51,092,400

2. Take no action.

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May 25, 2023

Joint Committee on Finance

Paper #551

Statewide Interoperable Radio Network Replacement (Military Affairs)

[LFB 2023-25 Budget Summary: Page 415, #3]

CURRENT LAW

The current Wisconsin Interoperability System for Communications (WISCOM) is a radio system that permits emergency responders from varying public safety disciplines to communicate across jurisdictions during major disasters and large-scale incidents. In addition, state and local agencies may elect to use WISCOM as their primary radio system. In total, WISCOM is used by 1,200 local, state, federal, tribal, and non-governmental agencies (18 federal agencies, 12 state agencies, 994 local and tribal agencies, and 176 non-governmental agencies). These agencies have over 44,000 registered subscriber radios connected to the network, with approximately 19,000 radios accessing the network each month. User agencies are responsible for purchasing their own radio equipment to connect to the statewide network; however, the network is designed to work with a variety of radio systems. State statute authorizes the Department of Military Affairs (DMA) to provide oversight of the development and operation of WISCOM.

The WISCOM network consists of communications equipment installed at 140 tower sites statewide. The system was built to support 95% mobile radio coverage statewide, while also allowing agencies the ability to join and enhance the coverage with additional sites. The State Patrol also has a mobile site on wheels that can provide or enhance WISCOM communications coverage in an emergency. The core system consists of five Very High Frequency (VHF) channels that permit emergency responders to carry on four simultaneous conversations in a given area utilizing a particular radio tower. Utilizing the VHF band for WISCOM has enabled the state to develop statewide coverage with fewer radio towers and lower infrastructure expense. However, the VHF band on which WISCOM primarily relies does not penetrate buildings as well as other radio bands and can be difficult to utilize in urban settings with increased radio traffic. In addition, portable radios have weaker antenna ranges and may not be able to gain access to the system from all locations.

The current network's technical specifications are unable to provide coverage and capacity concurrent with program demand and key network components have reached their end-of-life. In September, 2019, DMA signed a five-year maintenance contract with EF Johnson to ensure the current system remains viable as the state moves forward with a replacement system. Base funding for WISCOM maintenance is \$1,246,900 GPR annually.

DISCUSSION POINTS

1. In response to events such as car accidents, natural disasters, terrorism events, or high-speed pursuits, public safety officials from different disciplines and jurisdictions need to rapidly communicate. Prior to the development of WISCOM, in February, 2008, two semitrailers collided on Interstate 90 near Janesville during a winter storm. Local agencies, the State Patrol, and the National Guard responded to the accident but were unable to communicate with each other, thereby delaying decisions about rerouting traffic and closing the highway. As a result, over 2,000 vehicles were stranded on the highway for 12 hours, in vehicles running out of gas in frigid temperatures. In 2016, WISCOM helped first responders from local and county agencies communicate in response to a windstorm in Bayfield and Douglas counties that disabled wireless and landline systems. The system has also been used to help first responders communicate during Wisconsin Badger football games, the Birkebeiner ski race, and other events involving large crowds and multiple public safety agencies.

2. The current system has reach its end-of-life and needs to be replaced. Under 2017 Act 59, DMA was required to upgrade or replace WISCOM. According to DMA, WISCOM must be upgraded or replaced to ensure the system can deliver public-safety grade communications to current users, expand to support other users at the state and local levels, and provide interoperability with other communications systems.

3. As directed under Act 59, DMA issued a request for proposals (RFP) to replace the WISCOM system in October, 2018. To support related costs, Act 59 provided \$464,000 GPR annually to purchase software, equipment, and services starting in 2018-19. However, the RFP was placed on hold because of a statewide moratorium on RFPs during the gubernatorial transition in November, 2018.

4. Under 2019 Act 9, the requirement that DMA issue a RFP for WISCOM was repealed. Instead, in May, 2020, DMA solicited a request for information (RFI) to develop requirements and specifications for the next iteration of WISCOM. According to DMA, the RFI was the first phase of a competitive procurement approach that sought to engage the vendor community and experts in public safety communications to collaborate on solutions for the design, construction, implementation, support, and maintenance of the interoperable communications system. Information gathered through the RFI informed the scope and objective of the subsequent RFP. The Department indicated that gathering information from vendors prior to re-soliciting a RFP reduced system costs and improved the quality and reliability of proposals.

5. According to the RFI, the next iteration of WISCOM must meet the following requirements: (a) deliver at least 95% service area reliability across the state, with higher levels in selected areas; (b) provide best performance for diverse daily users, given that VHF has been the

frequency band of choice in rural areas while 700/800MHz is prevalent in urban areas; (c) have the ability to improve coverage through future expansions; and (d) support statewide interoperability through interconnections to mutual-aid channels, external radio systems, and authorized broadband users. Additionally, the system must comply with industry standards that support multi-vendor interoperation (support for user radios from various companies without proprietary technologies) and best practices for the design and construction of the system.

6. The 2021-23 biennial budget, 2021 Act 58, required DMA to: administer the current and future statewide public safety interoperable communication system; enter into agreements for maintenance and support of the current system; and enter into agreements for the maintenance and support of, upgrades to, and enhancements for the replacement system. Act 58 also directed DMA to issue a RFP for the replacement of WISCOM. Further, the Act provided DMA with \$500,000 GPR in 2022-23 for WISCOM management consulting services and placed \$6 million GPR in 2022-23 in the Joint Finance Committee's supplemental appropriation for potential release to DMA for initial WISCOM replacement costs. Funding for WISCOM has not been released in 2022-23. If the funding is not released from the Committee's supplemental appropriation by the end of 2022-23, it will lapse to the general fund.

7. The Department released the RFP on November 30, 2021. On August 22, 2022, the Department sent a notice of intent letter to the selected vendor, L3Harris Technologies, Inc. A protest to the intent letter was made, but in January, 2023, DMA's award decision was administratively upheld by the Department of Administration. The Department began contract negotiations on March 14, 2023. As of May, 2023, negotiations are ongoing. The Department indicates that it will take a phased approach to implementing the replacement WISCOM system. As a result, the first users could join the network within three to five years of the start of implementation, and the transition for the whole state could be completed within five to seven years. The Department estimates that the implementation of a replacement WISCOM system could take a total of seven years.

8. At the preliminary stage, the estimated total cost of implementing a replacement WISCOM system is \$100 to 150 million. The total cost of implementation consists of the following components:

- System sites, (approximately 53% of total project costs) including: (a) per tower, system control equipment, software, and licensing; (b) trunked radio system equipment, software, and licensing; (c) VHF conventional radio system equipment, software, and licensing; (d) antennae systems; (e) interoperable gateways, which provide interoperability between otherwise incompatible radio communications systems; and (f) site infrastructure equipment and improvements as needed.
- Implementation services, (38% of project costs) including: (a) migration services; (b) project management; (c) engineering services; and (b) technical, system management, and user training.
- Equipment, (9% of project costs) including: (a) site manager equipment; (b) switches; (c) amplifiers; and (d) portable and mobile test equipment. Note that, as contract negotiations are ongoing, these estimates may change.

Additionally, the total estimated cost of implementation does not include costs for subscriber units (portable and mobile radios), post-warranty services, and other optional items proposed by the vendor for which the state could contract.

9. The Department estimates that \$22,465,000 GPR in 2023-24 and \$22,600,000 in 2024-25 is needed to begin the design and implementation of a replacement WISCOM system in the 2023-25 biennium, specifically to support engineering for the design and site development, as well network equipment, tower equipment, and installation services.

10. The Department distinguishes the total cost of implementation from the total cost of the system. The total cost of implementation includes the design and build of the new system, after which DMA will enter into the manufacturer's warranty period for equipment and software. Once this warranty period expires, the system will enter into the post-warranty period, for which there could be additional equipment and software costs. Purchases that could occur once the manufacturer's warranty expires include: (a) replacement equipment after equipment reaches its end-of-life; (b) updates to software; (c) cybersecurity costs; (d) network operations center monitoring to identify any issues with the network and to monitor any alarms that may be triggered; and (e) on-site repair for tower and equipment failures or issues. Additionally, other items not related to the post-warranty period could be purchased, including asset management (tracking of what equipment is at different tower sites), test lab equipment (a miniature network used to test patches or equipment before they are incorporated into the system), or an additional site on wheels (a mobile tower site primarily used for interoperability purposes or when a tower is under significant repair).

11. Under Assembly Bill 43/Senate Bill 70 (AB 43/SB 70), a statewide public safety interoperable communication system continuing GPR appropriation would be created, and \$45,000,000 would be provided to the appropriation in 2023-24 for the development and operation of a replacement WISCOM system. This is approximately what DMA estimates is needed for the project in the 2023-25 biennium. The Administration indicates that it was difficult to determine the appropriate funding level for WISCOM in the 2023-25 budget because, when it was developing its recommendation, the RFP was still in the protest phase, resulting in uncertainty about how much funding would be needed and when. The Administration ultimately recommend one-time funding of \$45 million in 2023-24 with the intention of providing sufficient funding for the project in the 2023-25 biennium, while also providing flexibility given the uncertainty regarding the contract.

12. Additionally, the Administration indicates that the industry standard for projects of this nature is to pay 5% to 20% of the total cost of the project at contract signature for the design of the network, the project plan, and necessary equipment. This amount would be \$5 to \$20 million if the total cost of implementing a replacement WISCOM system is \$100 million, and \$7.5 to \$30 million if the total cost is \$150 million.

13. Given that the replacement of WISCOM is anticipated to take multiple biennia to complete, creation of a continuing appropriation may be appropriate. Further, first responders depend on WISCOM for communication and the current WISCOM system has reached its end-of-life. Therefore, the Committee could create a statewide public safety interoperable communication system continuing GPR appropriation and provide \$45,000,000 in 2023-24 for the development and operation of a replacement WISCOM system. [Alternative 1] As a continuing appropriation, DMA

could spend appropriated funding at any time until the funds are exhausted or the appropriation is repealed. Because this alternative would provide one-time funding of \$45 million, and the estimated cost of implementation is \$100 to \$150 million, DMA would be required to seek additional funding for the project in future biennia.

14. Alternatively, the Committee could create a statewide public safety interoperable communication system continuing GPR appropriation and provide \$22,465,000 GPR in 2023-24 and \$22,600,000 in 2024-25 for a replacement WISCOM system. [Alternative 2] This is the level of funding that DMA estimated would be necessary for initial implementation of a replacement WISCOM system in the 2023-25 biennium. Additionally, it would create base funding for the project, which is anticipated to take seven years for full implementation. Providing base funding would lessen DMA's need to seek additional funding for the project in future biennia. As a continuing appropriation, DMA could spend the amounts provided for a replacement WISCOM system at any time until the funds are exhausted or the appropriation is repealed.

15. Given that the total estimated cost of implementation for a replacement WISCOM is \$100 to \$150 million, the Committee could create a statewide public safety interoperable communication system continuing GPR appropriation and provide \$100 million in 2023-24. [Alternative 3] The provided funding would be at the lower end of DMA's total project implementation cost estimate. As a continuing appropriation, DMA could spend the amount provided for a replacement WISCOM system at any time until the funds are exhausted or the appropriation is repealed. Providing funding during the 2023-25 biennium, instead of over a period of biennia, could provide DMA the estimated cost for the implementation of a replacement WISCOM sooner, and provide sufficient resources to make significant progress on the project without needing to seek additional funding, unless and until it is determined that additional funding is required.

16. On the other hand, given that the industry standard for projects of this nature is to provide 5% to 20% of the total cost of the project at contract signature, the Committee could provide funding in the range of \$5 million and \$30 million in 2023-24. As DMA's expenditures for the replacement WISCOM system in the 2023-25 biennium are estimated at \$22,465,000 GPR in 2023-24 and \$22,600,000 in 2024-25, for a total of \$45,065,000, the Committee could choose to provide \$15,065,000 million in 2023-24 to meet the industry standard for payment at contract signature and reserve the remaining \$30 million in the Committee's supplemental GPR appropriation. The Department could submit a plan to the Committee for the release of funds once the contract is signed and costs of a replacement WISCOM system are further defined. [Alternative 4]

17. Alternatively, the Committee could take no action. [Alternative 5] The state contract to maintain the current system expires on June 30, 2024, with an option to extend the contract until June 30, 2026. If funds are not provided during the 2023-25 biennium, the replacement of WISCOM would be postponed. According to DMA, such delays could, under certain circumstances, hinder the ability of law enforcement and public safety individuals to communicate and coordinate during large-scale events.

ALTERNATIVES

1. Create a statewide public safety interoperable communication system continuing GPR appropriation and provide a one-time funding amount of \$45,000,000 GPR in 2023-24 for a replacement WISCOM system.

ALT 1	Change to Base
GPR	\$45,000,000

2. Create a statewide public safety interoperable communication system continuing GPR appropriation and provide \$22,465,000 GPR in 2023-24 and \$22,600,000 in 2024-25 for a replacement WISCOM system.

ALT 2	Change to Base
GPR	\$45,065,000

3. Create a statewide public safety interoperable communication system continuing GPR appropriation and provide a one-time funding amount of \$100,000,000 GPR in 2023-24 for a replacement WISCOM system.

ALT 3	Change to Base
GPR	\$100,000,000

4. Create a statewide public safety interoperable communication system continuing GPR appropriation and provide one-time funding of \$15,065,000 in 2023-24 for a replacement WISCOM system to reflect industry standards of providing funding at contract signature. Reserve \$30 million in the Committee's supplemental GPR appropriation for potential release to DMA.

ALT 4	Change to Base
GPR	\$45,065,000

5. Take no action.

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May 25, 2023

Joint Committee on Finance

Paper #552

Next Generation 911 (Military Affairs)

[LFB 2023-25 Budget Summary: Page 416, #4 and Page 416, #5]

CURRENT LAW

Under current law, the Department of Military Affairs (DMA) is required to contract for the creation, operation, and maintenance of an emergency services IP network (ESInet) that to the greatest extent feasible relies on industry standards and existing infrastructure to provide all public safety answering points (PSAPs) with the network necessary to implement Next Generation 911 (NG911). The Department's base budget for NG911 is \$18,908,600 SEG annually. Base funding supports: (a) supplies and services, \$11,408,600 (ESInet charges and NG911 implementation); (b) PSAP grants, \$6,000,000; and (c) grants for geographic information systems, \$1,500,000. Funding for NG911 is provided from the police and fire protection (PFP) fund.

DISCUSSION POINTS

1. Under current law, 911 is established as the statewide emergency services telephone number. Basic 911 service was first established in the 1960s as a voice-only service, meaning that the caller had to provide location and callback information verbally in order to receive assistance. The system was last updated in the 1990s to "Wireless Enhanced 911," which provides a mobile caller's number and approximate location. The system consists of separate networks maintained by telephone service providers through contractual relationships with local governments.

2. In general, 911 services are funded and administered on the local level. The state has approximately 121 PSAPs, locally-administered call centers that answer and process 911 calls. As of 2019 (the most recently available data), Wisconsin PSAPs employed 2,115 public safety personnel, served 2,288 first responder agencies, and handled approximately three million 911 calls each year. The current 911 system is primarily supported through three fees: (a) a landline fee assessed per county based on the number of access lines and population, collected by carriers and applied to the

cost of providing 911; (b) a portion of the monthly fee of \$0.75 on each assigned telephone number, deposited to the PFP fund; and (c) a portion of the \$0.38 fee per transaction on all prepaid wireless services, deposited to the PFP fund. The Public Service Commission (PSC) administers these fees.

3. The police and fire protection fund supports state programs and provides direct financial assistance to local governments through the shared revenue program. The shared revenue program is also funded by a capped, sum-sufficient general purpose revenue (GPR) appropriation, such that any PFP funds allocated for state programs are offset by an equal increase in GPR. In 2021-22, \$54.9 million was distributed from the PFP fund to local governments through the shared revenue program; an estimated \$34.4 million SEG is appropriated for this same purpose in 2022-23. Local entities have discretion in allocating shared revenues, and a portion may be used to offset the cost of providing 911 services.

4. Note that AB 43/SB 70 would fund existing and additional county and municipal aid and other shared revenue programs with 20% of state sales and use tax revenue. Recent legislative discussions have indicated an intent to fund county and municipal aid and other shared revenue programs from a similar 20% of state sales and use tax revenues. If such proposals were to be enacted, PFP funds currently used for county and municipal aid would be available to fund any increased costs of NG911.

5. Under current law, the landline fee allows service suppliers (telecommunications utilities which provide exchange telephone services within a county) to charge customers and keep the funds as reimbursement for services to county 911 entities. Nonrecurring costs incurred by service suppliers include services related to providing the trunking and central office equipment used only to operate a basic or sophisticated system established in that county and the database used only to operate that sophisticated system. Additionally, service suppliers incur recurring charges for services related to the maintenance and operation of a basic or sophisticated system established in that county. The fee is applied to the telephone network expenses related to 911 for each county. Each carrier deposits collected fees into a pooled fund, and takes from the fund the amount of its expenses incurred for providing 911 services.

6. To create an interoperable 911 system that is compatible with current and emerging digital technologies, emergency response agencies nationwide are upgrading to the NG911 system.

7. According to DMA, a statewide NG911 system will: (a) provide equal access for all callers, including the deaf and hard-of-hearing; (b) resolve current infrastructure limitations among PSAPs by creating a shared statewide network; (c) improve resiliency and reduce system downtime; (d) provide an increase in situational awareness through data sharing with first responders; (e) deliver increased location accuracy for all calls; (f) facilitate mutual aid collaborations between PSAPs; (g) provide the ability to re-route 911 calls during crises, periods of high call volume, and service outages; (h) support a variety of consumer devices as technology evolves; (i) enhance financial efficiencies; and (j) support the ability to change or add connections during emergencies. In addition to 911 voice capabilities, NG911 will enable the public to transmit text, images, video, and data to 911.

8. The ability of 911 callers to communicate silently through text message could increase the caller's safety; for example, during a home invasion, a caller could request a police response

without alerting the intruder to their presence. Next Generation 911 can also facilitate continuity of operations in the event of a natural disaster by allowing affected PSAPs to re-route calls to other answering centers. For example, in 2011 during Hurricane Irene, Vermont's second largest PSAP had to evacuate. Because Vermont had implemented NG911 prior to the hurricane, callers were able to be re-rerouted to other PSAPs and to receive assistance without delay.

9. The NG911 system consists of three key components: (a) the Emergency Services Internet Protocol Network (ESInet), a statewide internet-based network shared by all participating public safety agencies; (b) PSAP equipment, which facilitate the transmission of information between callers and emergency responders; and (c) geographical information system (GIS) data, which route calls and messages to the correct PSAP. Once NG911 is implemented, the system's network will be operated on the state-level, while local units of government will retain fiscal and administrative responsibility for PSAP operations. Local entities may also need to upgrade answering equipment to ensure that 911 calls can be processed under the new system.

10. Much of the decision-making related to public safety has been delegated to the local level in Wisconsin. According to DMA, the NG911 program will be administered on a state-guided, local control basis. For example, while the statewide ESInet will create the capacity to connect PSAPs, participation in the network is voluntary. Further, while consolidating PSAPs could increase efficiencies by requiring fewer call centers to purchase new equipment, current law does not allow the state to require consolidation.

11. In the 2021-23 biennium, 2021 Act 58 provided \$25,288,200 SEG for NG911 as follows: (a) \$7,379,600 in 2021-22 and \$9,708,600 in 2022-23 for the ESInet; (b) \$6,000,000 in 2022-23 for PSAP grants; (c) and \$500,000 in 2021-22 and \$1,700,000 in 2022-23 for GIS database management. Further, \$1,500,000 SEG was placed in the Joint Finance Committee's supplemental appropriation for GIS grants. On May 31, 2022, the Joint Committee on Finance released funding for GIS grants and created 2.0 SEG positions, including a GIS specialist and a GIS grants specialist; however, the Committee specified that these positions must be funded using the Department's base budget in the 2023-25 biennium. In addition to the 2.0 SEG positions created for NG911, a previously existing 1.0 PR position functions as the NG911 program manager. This position is funded from justice information systems fee receipts. Receipts are generated from a \$21.50 fee assessed for certain court proceedings, such as civil, small claims, forfeiture, and wage earner or garnishment actions.

12. Recurring ESInet costs are paid by DMA on behalf of PSAPs through the NG911 appropriation. The state has supported the development of NG911 with allocations from the PFP fund. Through 2021-22, DMA has expended \$1,839,700 SEG from the PFP fund on NG911 (\$280,200 in 2018-19, \$273,300 in 2019-20, \$537,400 in 2020-21, and \$748,800 in 2021-22). In 2021-22, DMA also encumbered \$5,556,700 SEG for NG911.

Public Safety Answering Point Grants

13. The first step to implement NG911 was to create the ESInet, an internet-based network that will connect PSAPs across the state. The ESInet will provide for broadband speed transmissions and facilitate the delivery of messages and data that public safety agencies use for field operations. The Department solicited bids for the ESInet through a request for proposal (RFP) in March, 2020. The ESInet contract was executed with AT&T in June, 2021. The contract term is five years. In 2026,

there will be an option to extend the contract for another five years. The contract will expire in June, 2031. Since the signing of the ESInet contract, DMA has been negotiating participation agreements with PSAPs joining the network. Additionally, several outreach sessions were conducted to inform PSAPs about the state ESInet. As of May, 2023, 86 PSAPs in 62 counties have signed participation agreements. Attachment 1 shows the NG911 status of counties and municipalities. The Department indicates that five PSAPs have not joined the state ESInet contract because they have existing ESInet contracts. The first PSAP went live on the state ESInet in April, 2023, in Saint Croix County.

14. In general, local governments are responsible for purchasing 911 call answering equipment. To receive and process calls through the NG911 system, PSAPs must have call answering equipment compatible with NG911 technology. According to the 2019 Statewide 911 System Assessment (the latest information available), 49 out of 98 of responding PSAPs already owned compatible equipment. Of the remaining 49 PSAPs that indicated they were not ready to transition to NG911 with their current equipment, and 29 indicated that they had plans to upgrade or replace the equipment within two years. The remaining 20 PSAPs did not have compatible equipment nor plans to purchase such equipment. The Administration indicates that equipment replacement cycles are generally every five years.

15. State and federal support has been made available to help PSAPs transition to NG911. Under 2019 Act 26, a competitive state grant program was created to help PSAPs transition to the NG911 system. In August, 2019, the Department received a one-time federal award of \$2.9 million to assist PSAPs with equipment upgrades. In June, 2020, DMA awarded 24 federally-funded grants totaling \$2.2 million. A second round of grants, totaling \$487,800, was distributed in February, 2021. Funding remaining after distribution of both rounds of grants was utilized for projects to assess and prepare local NG911 GIS data. However, \$88,000 was returned to the federal government because the grant performance period ended. As of September, 2022 (the latest information available), 35 PSAPs were able to complete either partial upgrades or full replacements of their answering equipment using federal grants. Additionally, in the 2021-23 biennium, \$6,000,000 SEG in 2022-23 was provided for PSAP grants. Applications for the state grants were due in October, 2022. As of March, 2023, funding of \$5,721,100 under the grant program has been obligated to 39 grantees, but not yet expended. Grant projects may extend until June, 2024. Attachment 2 indicates federal grant amounts by recipient agency. Attachment 3 indicates state grant amounts by recipient agency.

16. The Department did not expend all of the federal PSAP grant funding in the first round of grants. Some PSAPs that received a federal award in the first round experienced unplanned costs for the completion of their grant projects. As a result, DMA awarded a second round of federal grants, some of which went to PSAPs that did not receive awards in the first round, while some PSAPs received another award in the second round to complete their projects. Applications were denied for ineligible projects. It should also be noted that some PSAPs received both federal and state PSAP grants. According to DMA, this occurred because the state grant had more allowable expenses than the federal grant, allowing PSAPs to complete different projects with state PSAP grant funding.

17. Under Assembly Bill 43/Senate Bill 70 (AB 43/SB 70), an additional \$6,000,000 SEG annually would be provided for PSAP grants. The Administration indicates that this amount of additional funding for PSAP grants is recommended due to demand for the grants. Additionally,

providing increased resources to DMA for PSAP grants could accelerate the state-wide adoption of NG911. According to the Administration, the average grant amount made will depend on the number of eligible applicants. Under current law, DMA may only provide grants to one PSAP per county per year. As a result, DMA could make a maximum of 72 grants. In 2022-23, the average state award for 39 grantees was approximately \$148,000.

18. Given that PSAP grants provide assistance to PSAPs transitioning to NG911, the Committee could provide: (a) an additional \$6 million SEG annually, for a total of \$12 million annually; (b) an additional \$3 million SEG annually, for a total of \$9 million annually; or (c) an additional \$6 million SEG in 2023-24, for a total of \$12 million SEG in 2023-24 and \$6 million SEG in 2024-25. [Alternative A1a, A1b or A1c] Grants would be funded from the NG911 appropriation and supported by the police and fire protection fund. If additional PSAP grant funding is provided, there would be a decrease in SEG funding and a corresponding increase in GPR funding for shared revenue.

19. If the Committee chooses not to provide additional funding for PSAP grants, there would be a total of \$6 million SEG annually for PSAP grants in the 2023-25 biennium from base resources. [Alternative A2]

Cost Recovery

20. According to the Wisconsin Statewide NG911 Plan, the landline fee, which provides cost recovery for service providers under the Enhanced 911 system, will cease in each county once DMA declares the county operational on the ESInet. However, the landline fee for nonrecurring costs may continue after the declared operational date until the provider is fully compensated for these costs.

21. Under AB 43/SB 70, any ESInet contract made by the Department must require the ESInet provider to reimburse any originating service provider or, if applicable, the 3rd party providers it uses to connect to an ESInet, for all NG911 costs incurred by the originating service provider or 3rd party provider. Originating service providers are telecommunications providers/local phone companies that receive 911 calls and direct them to PSAPs. The bill defines NG911 costs as the costs incurred in the operation of a Next Generation 911 emergency number system by an originating service provider and, if applicable, the 3rd party provider it uses to connect to an emergency services IP network. According to the Administration, the purpose of this provision is to ensure that service providers have a mechanism for cost recovery under NG911. At this time, the costs incurred by originating service providers for NG911 services are unknown. However, examples of items for which costs are incurred may include: new equipment and replacement of this equipment and a new database (and maintenance of the database) that enables the sending of images, GPS location, and other NG911 information.

22. Given that service providers have a cost recovery method under Enhance 911 but not under NG911, the Committee could adopt a new cost recovery method for NG911. However, because DMA already has an ESInet contract in place and requiring changes to an existing contract is considered unconstitutional, the Committee could specify that any DMA ESInet contract entered into, extended, modified, or renewed must require the ESInet provider to reimburse an originating service provider for all NG911 costs incurred by the originating service or 3rd party providers. [Alternative

B1a] Until a new state ESInet contract is entered into, or the existing state ESInet contract is extended, modified, or renewed, service providers would not receive payment from the ESInet provider for NG911 costs.

23. Alternatively, the Committee could require DMA, rather than the ESInet contract provider, to reimburse an originating service or 3rd party providers for all NG911 costs incurred by the originating service provider or 3rd party providers. [Alternative B1b] Requiring DMA to make payments to service providers rather than the ESInet provider could result in more transparency because these payments would go through the state accounting system. It could also enable DMA to better report NG911 costs. For example, it could be easier to assess the total cost of NG911 if DMA made direct payments to originating service or 3rd party providers rather than a non-state entity. Additionally, under AB 43/SB 70, it is possible that DMA would need to reimburse the ESInet provider (AT&T) for the payments it makes to originating or 3rd party providers. In this case, it would be more efficient for DMA to pay the service providers directly. Finally, if DMA made payments to service providers instead of the ESInet contract provider, service providers could receive reimbursement for NG911 costs immediately, rather than being required to wait until a new state ESInet contract is entered into, or the existing state ESInet contract is extended, modified, or renewed.

24. On the other hand, because NG911 costs to originating service or 3rd party are yet unknown, the Committee could require service providers to submit information on costs incurred for NG911 to PSC for a period of one year. The Committee could require PSC to validate the costs and submit a report to the Committee on costs incurred by originating or 3rd party providers for NG911. [Alternative B2] After the costs incurred by service providers for NG911 are better understood, the Legislature could choose at a future date to take further action on requirements for contracts entered into, extended, modified, or renewed.

25. The Committee could take no action with regard to NG911 cost recovery. [Alternative B3] Under this alternative, as under current law, originating service or 3rd party providers would not receive reimbursement for NG911 costs.

ALTERNATIVES

A. PSAP Grants

1. Provide additional PSAP grants from the police and fire protection SEG funds in the amount of:

a. \$6,000,000 million annually;

ALT A1a. Change to Base	
DMA	
SEG	\$12,000,000
Shared Revenue	
GPR	\$12,000,000
SEG	<u>- 12,000,000</u>
Total	\$0

- b. \$3 million annually; or

ALT A1b. Change to Base	
DMA	
SEG	\$6,000,000
Shared Revenue	
GPR	\$6,000,000
SEG	<u>- 6,000,000</u>
Total	\$0

- c. \$6 million in 2023-24.

ALT A1c. Change to Base	
DMA	
SEG	\$6,000,000
Shared Revenue	
GPR	\$6,000,000
SEG	<u>- 6,000,000</u>
Total	\$0

2. Take no action with regard to the PSAP state grant program.

B. Next Generation 911 Cost Recovery

1. Regarding NG911 cost recovery, require either a. or b. below. [Either of these alternatives may be selected with Alternative B2.]

a. Any ESInet contract entered into, extended, modified, or renewed with DMA include a requirement for the ESInet provider to reimburse originating service or 3rd party providers for all NG911 costs incurred by the originating service or 3rd party providers.

b. Require DMA to reimburse originating service or 3rd party providers for all NG911 costs incurred by the originating service provider or 3rd party providers.

2. Require originating service or 3rd party providers to submit costs incurred for NG911 to PSC for one year. Require PSC to validate these costs and submit a report to the Committee on costs incurred by originating or 3rd party providers for NG911.

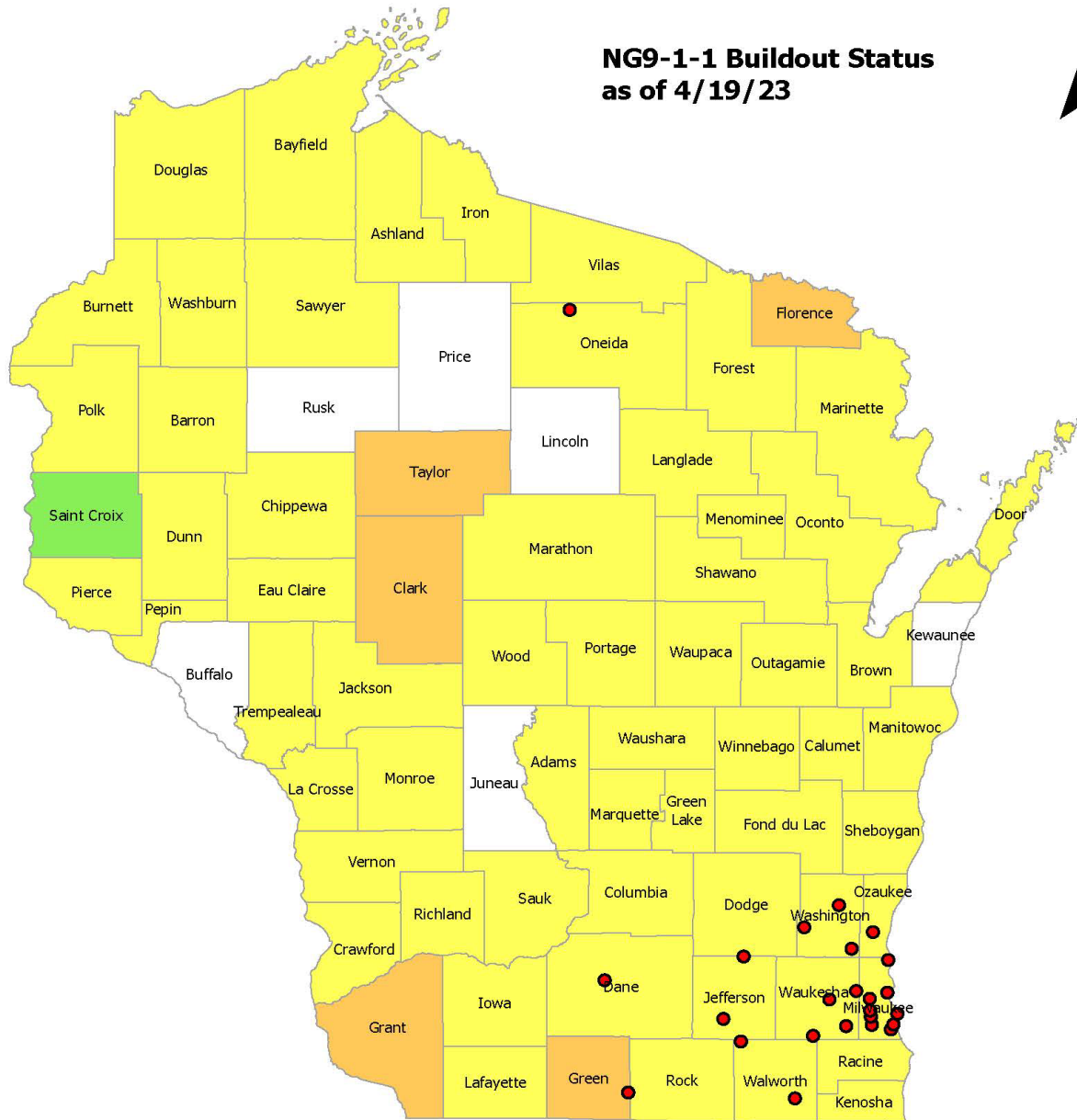
3. Take no action with regard to NG911 cost recovery.

Prepared by: Brianna Murphy
Attachments

ATTACHMENT 1



NG9-1-1 Buildout Status as of 4/19/23



Map Legend

- Participating Municipality
- Municipality Live On AT&T ESInet
- County Live on AT&T ESInet
- Signed AT&T Participation Agreement
- Signed with Other ESInet Provider
- County without ESInet Contract

Cartography by Zach Hassler OEC GIS Specialist
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Source: Military Affairs

ATTACHMENT 2

Federal PSAP Grant Recipients

Round 1		Round 2	
<u>Award Agency</u>	<u>Federal Grant Amount</u>	<u>Award Agency</u>	<u>Federal Grant Amount</u>
Barron County Sheriff's Department	\$76,200	Bayfield County Sheriff's Office*	\$4,600
Bayfield County Sheriff's Office	77,000	Crawford County Communications Center*	10,700
Bayside Communications Center	100,600	Franklin Police Department*	65,700
Cedarburg Police Department	59,200	Green Lake County Sheriff's Office	31,200
Clark County Sheriff's Office	57,700	Greenfield Police Department	65,900
Crawford County Communications Center	75,600	Hartford Police Department	5,800
Dodge County Sheriff's Office	109,800	Juneau County Sheriff's Office*	4,900
Eau Claire Communication Center	276,500	Lafayette County Sheriff's Office*	5,900
Florence County Sheriff's Office	11,100	Langlade County Sheriff's Office	9,700
Franklin Police Department	16,100	Manitowoc County	104,900
Iron County Sheriff's Department	93,000	Marinette County Dispatch	70,200
Juneau County Sheriff's Office	102,600	Minocqua Police Department*	3,000
Kewaunee County Sheriff's Department	125,300	Rock County Communications Center	48,900
Lafayette County Sheriff's Office	99,400	Sawyer County Sheriff's Office	12,700
Menominee County Sheriff's Office	79,900	UW – Madison Police Department	12,800
Minocqua Police Department	62,200	Watertown Police Department	12,100
Muskego Police Department	12,600	Waushara County Sheriff's Office	15,000
Oconto County Sheriff's Office	79,700	Winnebago County Sheriff's Office*	<u>3,800</u>
Portage County Sheriff's Office	198,400		
Richland County Sheriff's Department	14,900	Total	\$487,800
Sauk County	134,000		
Waukesha County Communications	122,300		
Winnebago County Sheriff's Office	125,500		
Wisconsin Dells Police Department	<u>72,900</u>		
Total	\$2,182,500		

ATTACHMENT 3

State PSAP Grant Recipients

<u>Award Agency</u>	<u>State Grant Amount</u>
Adams County Sheriff's Office	\$97,900
Barron County Sheriff's Department	55,400
Brown County Public Safety Communications	82,800
Burnett County Emergency Management	149,800
Chippewa County Sheriff's Office	256,300
Columbia County Sheriff's Office	200,500
Dane County Public Safety Communications	285,800
Door County	150,200
Douglas County	128,800
Eau Claire Police Department	71,900
Florence County Sheriff's Office	12,600
Green County Sheriff's Office	293,700
Green Lake County Sheriff's Office	181,100
Iron County Sheriff's Office	42,300
Jefferson County Sheriff's Office	400,000
Kenosha Joint Services	2,800
Manitowoc County	25,900
Marinette County Dispatch	71,300
Monroe County Communications Center	41,600
Oneida County Sheriff's Office	45,900
Outagamie County Sheriff's Office	388,600
Ozaukee County Sheriff's Office	132,400
Pierce County Emergency Management	104,300
Polk County Sheriff's Office	256,900
Portage County Sheriff's Office	85,000
Racine County	36,200
Richland County Emergency Services	215,700
Sauk County	29,200
Shawano County Sheriff	35,500
Sheboygan County Sheriff's Office	400,000
St. Croix County Sheriff's Office	49,700
Vernon County Sheriff's Office	190,200
Vilas County	55,000
Walworth County Sheriff's Office	227,500
Washington County Sheriff's Office	292,500
Waukesha County Communications	318,400
Waupaca County Sheriff's Office	23,700
Waushara County Sheriff's Office	176,500
Wood County	<u>107,100</u>
Total	\$5,721,100



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May 25, 2023

Joint Committee on Finance

Paper #553

Urban Search and Rescue Teams (Wisconsin Task Force 1) (Military Affairs)

[LFB 2023-25 Budget Summary: Page 416, #6]

CURRENT LAW

Under current law, the Department of Military Affairs (DMA) contracts with local agencies to establish an urban search and rescue (USR) task force, a multi-disciplined organization which conducts search, rescue, and recovery in the technical rescue disciplines, including structural collapse, rope rescue, vehicle extrication, machinery extrication, confined space, trench, excavation, and water operations. For deployments, DMA is required to reimburse local agencies that provided services within 60 days after receiving a complete application for reimbursement if the agency applies within 45 days after the conclusion of the deployment of the urban search and rescue task force. Local agencies are authorized to seek reimbursement from DMA for any duty disability premium costs related to an employee's service on an urban search and rescue task force.

DISCUSSION POINTS

1. From 2005-2019, the Department of Military Affairs (DMA) contracted with local agencies to establish regional structural collapse teams that responded to structural collapse incidents. Team members had to meet the structural collapse team member requirements under the National Fire Protection Association standards.
2. For the most recent contract period, from January, 2017, to December, 2018, teams were composed of 11 fire departments (located in Antigo, Appleton, Beloit, Chippewa Falls, Green Bay, Janesville, La Crosse, Menominee, Neenah-Menasha, Oshkosh, and Superior). The 120 members of the teams were classified as state limited-term employees (LTEs). The state's contract with each municipality included provisions related to training, reimbursement, civil immunity, and eligible costs.
3. The contracts expired in December, 2018, and were extended until June, 2019.

According to DMA, municipalities sought changes to the contracts, including modifications to provide a faster reimbursement process. As a result, the municipalities did not sign new contracts and negotiations were suspended.

4. Training and equipment costs were funded through federal homeland security grants provided to DMA. For deployments, DMA was authorized to reimburse teams only to the extent that DMA collected reimbursement from a responsible party (the entity responsible for causing the incident). Table 1 shows federal grants awarded to the team for training and equipment by year. It should be noted that, because of the lapse in contracts, no grants were awarded in 2019-20.

TABLE 1

Statewide Structural Collapse Team Funding, FFY 2014-15 to 2019-20

<u>Federal Fiscal Year</u>	<u>Federal Award</u>
2014-15	\$690,900
2015-16	631,100
2016-17	508,900
2017-18*	574,600
2018-19*	543,200
2019-20	0

* Funding was allocated but not awarded due to the lapse in contracts.

5. Teams were deployed four times since the structural collapse emergency response process was codified in 2009-10, as shown in Table 2. Deployment costs were dependent on the number of personnel deployed, the length of the deployment, the equipment utilized, and the distance traveled to the incident.

TABLE 2

Structural Collapse Team Deployments, 2009-10 to 2019-20

<u>Fiscal Year</u>	<u>Name of Event</u>	<u>Reimbursable Cost</u>
2017	Didion Milling Plant explosion and structural collapse	\$105,600
2018	Hurricane Irma request for Florida*	100,600
2019	Water rescue for flooding in Crawford County	87,100
2019	Water rescue for flooding events**	0

* Coordinated and funded under the Emergency Management Assistance Compact.

** The team was mobilized and staged but not deployed. Floods in Dane, Juneau, La Crosse, Marquette, Monroe, Richland, Sauk, and Vernon Counties were classified by FEMA under the same disaster declaration as the Crawford County flooding event. Reimbursable costs for the two events were reported cumulatively and totaled \$87,100.

6. On May 25, 2021, Senate Bill 374, which related to a USR task force, was introduced. On September 28, 2021, SB 374 passed the Senate 30-1 and the Assembly 97-0. The bill was signed by the Governor on December 6, 2021, as 2021 Act 104. The act changed the designation of a regional collapse support team to an urban search and rescue task force and expanded the scope of emergencies with which these teams assist. Under the act, an urban search and rescue task force designated by DMA must assist in an emergency response "involving search, rescue, and recovery in the technical rescue disciplines to include structural collapse, rope rescue, vehicle extrication, machinery extrication, confined space, trench excavation, and water operations in an urban search rescue environment." The act requires DMA to reimburse local agencies that provided services within 60 days after receiving a complete application for reimbursement if the agency applies within 45 days after the conclusion of the deployment of the urban search and rescue task force. The act allows a local agency to seek reimbursement from DMA for any duty disability premium costs related to an employee's service on an urban search and rescue task force.

7. Under federal law, a USR task force is a multi-disciplined organization which conducts search, rescue, and recovery in the technical rescue disciplines, including structural collapse, rope rescue, vehicle extrication, machinery extrication, confined space, trench, excavation, and water operations. A Type 1 USR task force is capable of 24-hour operations split into 12-hour operation periods, while a Type 3 USR task force is capable of 12-hour operations. The Department has already negotiated contracts for Wisconsin's urban search and rescue team, "Wisconsin Task Force 1," with applicable fire departments. The Department indicates that 21 jurisdictions have signed contracts for the task force, including: Antigo; Appleton; Beaver Dam; Beloit; Fitchburg; Fond du Lac; Grand Chute; Green Bay; Janesville; La Crosse; Marinette; Menominee; Merrill; Neenah-Menasha; Oshkosh; Sheboygan; South Shore; Superior; Wausau; and Waukesha. During the period when collapse structure support team contracts were not in place, there were no incidents that rose to the level of deploying a USR task force. Furthermore, Wisconsin Task Force 1 has not been deployed since its formation as of March, 2023.

8. Act 58, enacted on July 8, 2021, created a continuing GPR appropriation [s. 20.465(3)(dv)] under DMA for training, equipment, and administration for urban search and rescue teams and reserved \$500,000 GPR in 2021-22 in the Committee's supplemental appropriation. The continuing PR appropriation under s. 20.465(3)(hm) was created to support: (a) task force deployments; and (b) reimbursements to local agencies for increases in duty disability premium contributions for employees who receive such benefits because of an injury incurred as a task force member. All monies received as a reimbursement for expenses incurred for an urban search and rescue task force are deposited into the PR appropriation account. At a 13.10 meeting on May 31, 2022, the Joint Committee on Finance approved the one-time transfer of \$500,000 GPR from the Committee's supplemental appropriation to the Department's urban search and rescue task force appropriation to provide training and equipment for the urban search and rescue teams. Base funding in the continuing GPR appropriation under DMA for training, equipment, and administration for urban search and rescue teams is \$0 in the 2023-25 biennium.

9. According to DMA, Wisconsin Task Force 1 will initially be built out as a Type 3 USR Task Force. The minimum number of personnel for a Type 3 USR Task Force is 35. To ensure the availability of 35 personnel to deploy at any given time, a minimum of three qualified individuals

must be rostered into each position, for a total of 105 LTEs. The minimum number of personnel for a Type 1 USR Task Force is 70. To ensure the availability of 70 personnel to deploy at any given time, a minimum of three qualified individuals must be rostered into each position, for a total of 210 LTEs. The number of LTEs needed to accommodate a Type 1 USR task force must increase because of the increased scope of emergencies and the required duties of participating personnel.

10. The Department indicates that training will be provided to Wisconsin Task Force 1 with the goal of the group becoming a Type 1 urban search and rescue task force. Training will be for various specialties within the task force, including: search, rescue, emergency medical, hazardous materials, and logistics and planning. Task force members receive over 300 hours of general rescue and position-specific training to be qualified to function in their roles. Task force members also have annual training requirements, including three quarterly training sessions and participation in a 56-hour operational readiness exercise (ORE) every other year, which focuses on incident response and emergency operations plans and procedures. The OREs take place annually at the Regional Emergency All-Climate Training (REACT) Center, a training and exercise facility for emergency and disaster response at Camp Douglas. Equipment to be purchased could include any training supplies (such as lumber, rubble, and food) and any items that support the goal of moving to an accredited Type 1 urban search and rescue task force, which may include pneumatic powered tools, saws, shoring equipment, torches, medical equipment, and protective gear.

11. Assembly Bill 43/Senate Bill 70 would provide \$506,400 GPR per year for training and equipment for an urban search and rescue task force. Table 3 below shows the components of this amount. The \$506,400 annually would fund one training session and one ORE per year, while the federal Homeland Security Grant Program (HSGP) would support the two additional training sessions per year. Historically, the federal homeland security grant program (HSGP) has provided funding of approximately \$700,000 annually for equipment and training for Wisconsin Task Force 1, which was sufficient for a Type 3 USR task force. However, training and equipment costs are expected to increase proportionally to the number of participating members, which is expected to increase to 210 to support a Type 1 USR task force. The Department indicates that \$1.2 million annually would be required to fully fund training and equipment for a Type 1 USR task force. As a result, the HSGP will no longer cover the full costs of equipment and training for Wisconsin Task Force 1 and additional funding is needed to augment the HSGP grant amount. According to the Department, it is unlikely that an increase of HSGP funding will be provided.

TABLE 3

Components of Wisconsin Task Force 1 Funding under AB 43/SB 70

<u>Budget Line</u>	<u>2023-24</u>	<u>2024-25</u>	<u>Biennial Total</u>	<u>Description</u>
LTE Salary and Fringe	\$52,700	\$52,700	\$105,400	Costs for LTE hours and fringe benefits, certification records, and equipment
Supplies and Services	354,200	354,200	708,400	Reimbursement to participating agencies for training at a rate of \$55 per hour
Supplies and Services	70,000	70,000	140,000	REACT center costs for instructional and exercise support
Supplies and Services	<u>29,500</u>	<u>29,500</u>	<u>59,000</u>	Replacement and maintenance of communications, IT, equipment, and supplies for task force operations
Total	\$506,400	\$506,400	\$1,012,800	

12. Given that a Type 1 urban search and rescue (USR) task force capable of 24-hour operations would strengthen the state's emergency response capabilities, the Committee could provide \$506,400 GPR annually to support training and equipment for the task force. [Alternative 1]

13. Alternatively, the Committee could take no action. [Alternative 2] The Department indicates that, if GPR funding is not provided for Wisconsin Task Force 1, the goal of creating a Type 1 task force would not be achievable as funding from the Homeland Security Grant Program would only support a Type 3 task force. Wisconsin Task Force 1 would operate as a Type 3 USR task force.

ALTERNATIVES

1. Provide \$506,400 GPR annually for task force training, administration, and equipment.

ALT 1	Change to Base
GPR	\$1,012,800

2. Take no action.

Prepared by: Brianna Murphy



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May 25, 2023

Joint Committee on Finance

Paper #554

Buildings and Grounds Staff (Military Affairs)

[LFB 2023-25 Budget Summary: Page 418, #11]

CURRENT LAW

The Department of Military Affairs' (DMA) Construction and Facilities Maintenance Office (CFMO) is responsible for overseeing facility operations, as well as development and maintenance of the state's Army National Guard facilities, which includes 280 buildings on 85 sites in 47 counties. In addition, the Truax Field Airbase Civil Engineering Office has the same responsibilities for the Wisconsin Air National Guard facilities at Truax Field (Madison).

DISCUSSION POINTS

1. The Construction and Facilities Maintenance Office currently has six project managers (architects and engineers), five painters, and 28 facilities repair and maintenance positions working statewide. Additionally, there are four LTE and two FTE heavy equipment operators at Truax Field. The Department indicates that because of the geographically dispersed nature and age of its facilities, additional positions are required to support maintenance of the facilities.
2. In 2017, the Wisconsin Air National Guard's 115th Fighter Wing in Madison was selected to be the second operational Air National Guard unit to fly the F-35 Lightning II. Several of the fighter jets are scheduled to arrive at the 115th Fighter Wing in 2023. As a result, there are numerous construction projects being completed at Truax Field prior to the arrival of the F-35 jets.
3. To address building and grounds issues, the Administration recommends creation of the following positions: 1.0 project manager, 2.0 heavy equipment operators, 1.0 painter, and 2.0 facility staff. Depending on the terms of cooperative agreements DMA has with the Army National Guard or the Air National Guard, most of the recommended positions are partially federally funded.

Project Manager

4. Recently, the U.S. Department of Defense's Property and Fiscal Office reviewed the cooperative agreement between the federal National Guard Bureau and the State of Wisconsin and determined that project managers who are 100% federally-funded through this agreement cannot work on facilities or efforts that either are not for the Army National Guard or concern facilities not on the facility installation support plan (FISP).

5. The Wisconsin Army National Guard (WIARNG) has a number of 100% state-funded projects in need of project management. The projects are located at Wisconsin Emergency Management (WEM), the Office of Emergency Communications (OEC), or at vacated armories still owned by DMA. Two projects are active, with the potential for additional projects in the future. The first is related to statewide radio tower remediation, and the second involves the transition of emergency management staff from a storage room to office space. The Department's current project managers are unable to assist with projects at these locations because they are not on the Army National Guard FISP, and because WEM and OEC are not covered under the WIARNG operations and maintenance cooperative agreement. The Department anticipates an increase in 100% state-funded projects due to expectations of personnel increases. Under Assembly Bill 43/Senate Bill 70, a 100% GPR-funded state project manager would be provided to DMA. According to DMA, an additional state project manager would provide needed assistance on these projects. Costs for a state-funded project manager are shown in Table 1.

TABLE 1

Costs for 1.0 Project Manager (100% GPR)

	<u>2023-24</u>	<u>2024-25</u>	<u>Biennial Total</u>
Salary	\$30,300	\$40,500	\$70,800
Fringe Benefits	13,400	17,800	31,200
Supplies and Services (Ongoing)	7,500	10,000	17,500
Supplies and Services (One-Time)	<u>10,000</u>	<u> </u>	<u>10,000</u>
Total	\$61,200	\$68,300	\$129,500

6. Given that DMA anticipates that the number of 100% state-funded projects will increase, and a state-funded project manager position is required to work on these projects, the Committee could provide \$61,200 GPR in 2022-23, \$68,300 GPR in 2024-25, and 1.0 GPR position annually for a project manager. [Alternative 2a]

Heavy Equipment Operators

7. According to DMA, Truax Field requires heavy equipment operators to fulfill snowplow and airfield clearing requirements. The Department indicates that while the need to fulfill these requirements is ongoing, the current heavy equipment operator positions are LTEs. In addition to snowplowing and airfield clearing, these positions also: (a) maintain and repair concrete and asphalt on all aircraft pavements, roads, parking lots and sidewalks; (b) operate heavy equipment such as skid

steers (with multiple attachments), front end loaders, backhoes, rollers, Oshkosh runway brooms, and dump trucks, to perform duties including trenching and grading.

8. In anticipation of the arrival of F-35 airplanes in Wisconsin, there will be construction projects that require equipment for trenching, excavating, and backfilling for underground utilities such as water, sewer, electrical, fiber optic cable, and phone/communication lines. Under AB 43/SB 70, \$25,200 GPR and \$100,800 FED in 2023-24, \$28,200 GPR and \$113,200 FED in 2024-25, and 0.4 GPR position and 1.6 FED positions annually would be provided for two heavy equipment operators. The positions would work as members of a crew to accomplish assigned maintenance and construction projects. However, DMA has indicated that if two FTE heavy equipment operators are provided, it would remove the four LTE heavy equipment operators and reallocate the funding to the two permanent positions. As a result, DMA would only require 0.4 GPR position and 1.6 FED positions annually.

9. Given that F-35 planes will begin to arrive in Wisconsin in 2023 and the need for heavy equipment operators is ongoing, the Committee could provide 0.4 GPR position and 1.6 FED positions annually for heavy equipment operators. [Alternative 2b]

Painter

10. Painting staff at DMA complete painting of walls, ceilings, and floors, as well as preparation for painting, including drywall preparation, repair, and minor replacement. Painting is completed both on interiors and exteriors of the facilities. According to the Department, painting of walls should occur regularly at armories and facilities; however, due to limited amount of painters, painting projects have either not been completed or have been contracted out. The Department indicates that contracting out painting projects is challenging due to the low costs of the projects, which are less appealing to contractors who may be offered higher paid projects.

11. Given that DMA is in need of additional painting staff and there have been challenges hiring painting contractors to complete projects, the Committee could provide \$40,400 GPR and \$40,400 FED in 2023-24, \$47,100 GPR and \$47,100 FED in 2024-25, and 0.5 GPR position and 0.5 FED position annually for a painter. [Alternative 2c] Costs for the painting position are shown in Table 3 below. This position would be 50% federally-funded.

TABLE 2

Costs for 1.0 Painter

	2023-24			2024-25			Biennial Total		
	GPR	FED	Total	GPR	FED	Total	GPR	FED	Total
Salary	\$21,900	\$21,900	\$43,800	\$29,200	\$29,200	\$58,400	\$51,100	\$51,100	\$102,200
Fringe Benefits	9,700	9,700	19,400	12,900	12,900	25,800	22,600	22,600	45,200
Supplies and Services (Ongoing)	3,800	3,800	7,600	5,000	5,000	10,000	8,800	8,800	17,600
Supplies and Services (One-Time)	<u>5,000</u>	<u>5,000</u>	<u>10,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>10,000</u>
Total	\$40,400	\$40,400	\$80,800	\$47,100	\$47,100	\$94,200	\$87,500	\$87,500	\$175,000
Positions	0.50	0.50	1.00	0.50	0.50	1.00	0.50	0.50	1.00

Facilities Staff

12. According to the Department, three CFMO areas (Areas 3, 4, and 5; see attachment), require facilities staff to assist with basic facility maintenance, preventative maintenance, and grounds maintenance. Because of the number of facilities (armories) within each of the three CFMO areas, extensive travel time between facilities reduces the amount of time that current facilities staff spend performing on-station maintenance duties; this is especially true in areas 4 and 5, which contain 45 of the 72 counties in the state. Of DMA's 28 facilities repair workers and facilities maintenance specialists, 11.5 FTE are located in CFMO areas 3, 4, and 5.

13. The Department indicates that the Wisconsin Military Academy within Area 3 (western Wisconsin) requires significant maintenance due to its 24/7 billeting and schoolhouse responsibilities. The Military Academy is the hotel at Fort McCoy that is used as a training center and as lodging for visiting military personnel. Additionally, Areas 4 and 5 (northwestern and eastern Wisconsin, respectively) have deferred maintenance projects that need to be completed, including flooring repair, wall and trim repair or replacement, and fixing minor water damage.

14. The deferred maintenance projects include 949 preventative maintenance work orders (an estimated total of 4,425 work hours) and 162 non-preventative maintenance work orders that were considered low-priority and therefore deferred (an estimated total of 1,620 work hours) for the period of July, 2022, to April, 2023. Examples of preventative work orders include lawn mowing, grounds maintenance, snow removal, annual inspections on equipment, and other inspections and maintenance tasks. Of the preventative work orders, 497 are armory-specific (1,946 hours), and 452 are non-armory specific (2,479 hours). Of the non-preventative work orders, 72 are armory-specific (826 hours) and 90 are non-armory specific (794 hours). Examples of non-preventative work orders include installing bike racks, moving furniture, hanging pictures, painting, and adding soundproofing.

15. Given the extensive time facilities staff spend traveling between DMA facilities in large portions of the state, the Committee could provide \$50,900 GPR and \$50,900 FED in 2023-24, \$54,500 GPR and \$54,500 FED in 2023-24, and 1.0 GPR position and 1.0 FED position annually for additional facilities maintenance staff. [Alternative 2d] Costs for the facilities positions are shown in Table 3 below. These positions would be 50% federally-funded.

TABLE 3

Costs for 2.0 Facility Repair Workers

	2023-24			2024-25			Biennial Total		
	GPR	FED	Total	GPR	FED	Total	GPR	FED	Total
Salary	\$23,200	\$23,200	\$46,400	\$30,900	\$30,900	\$61,800	\$54,100	\$54,100	\$108,200
Fringe Benefits	10,200	10,200	20,400	13,600	13,600	27,200	23,800	23,800	47,600
Supplies and Services (Ongoing)	7,500	7,500	15,000	10,000	10,000	20,000	17,500	17,500	35,000
Supplies and Services (One-Time)	<u>10,000</u>	<u>10,000</u>	<u>20,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>20,000</u>
Total	\$50,900	\$50,900	\$101,800	\$54,500	\$54,500	\$109,000	\$105,400	\$105,400	\$210,800
Positions	1.00	1.00	2.00	1.00	1.00	2.00	1.00	1.00	2.00

All Buildings and Grounds Staff

16. If the Committee chooses to create all of the 6.0 positions recommended under AB 43/SB 70, the total cost would be \$152,500 GPR and \$91,300 FED in 2023-24, \$169,900 GPR and \$101,600 FED in 2024-25. [Alternative 1] Total costs are shown in Table 4 below. Note that, in its original recommendations, the Administration inadvertently miscalculated the ongoing supplies and services amount in 2024-25. Therefore, an increase of \$7,700 FED in 2024-25 is applied in Alternative 1.

TABLE 4

Total Costs of all 6.0 Positions under AB 43/SB 70

	2023-24			2024-25			Biennial Total		
	GPR	FED	Total	GPR	FED	Total	GPR	FED	Total
Salary	\$75,400	\$45,100	\$120,500	\$100,600	\$60,100	\$160,700	\$176,000	\$105,200	\$281,200
Fringe	33,300	19,900	53,200	44,300	26,500	70,800	77,600	46,400	124,000
Supplies and Services (On-Going)	18,800	11,300	30,100	25,000	15,000	40,000	43,800	26,300	70,100
Supplies and Services (One-Time)	<u>25,000</u>	<u>15,000</u>	<u>40,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>25,000</u>	<u>15,000</u>	<u>40,000</u>
Total	\$152,500	\$91,300	\$243,800	\$169,900	\$101,600	\$271,500	\$322,400	\$192,900	\$515,300
Positions	2.90	3.10	6.00	2.90	3.10	6.00	2.90	3.10	6.00

ALTERNATIVES

1. Provide \$152,500 GPR and \$91,300 FED in 2023-24, \$169,900 GPR and \$101,600 FED in 2024-25, and 2.9 GPR positions and 3.1 FED positions annually to support additional buildings and grounds staff positions, including one project manager, two heavy equipment operators, one painter, and two facility repair workers.

ALT 1	Change to Base	
	Funding	Positions
GPR	\$322,400	2.90
FED	<u>192,900</u>	<u>3.10</u>
Total	\$515,300	6.00

2. Adopt one or more of the following:

a. Provide \$61,200 GPR in 2022-23, \$68,300 GPR in 2024-25, and 1.0 GPR position annually for a project manager position to support state-funded projects at DMA.

ALT 2a	Change to Base	
	Funding	Positions
GPR	\$129,500	1.00

b. Provide 0.4 GPR position and 1.6 FED positions annually for two heavy equipment operators at Truax Field.

ALT 2b	Change to Base	
	Funding	Positions
GPR	\$0	0.40
FED	<u>0</u>	<u>1.60</u>
Total	\$0	2.00

c. Provide \$40,400 GPR and \$40,400 FED in 2023-24, \$47,100 GPR and \$47,100 FED in 2024-25, and 0.5 GPR position and 0.5 FED position annually for a painter for DMA facilities.

ALT 2c	Change to Base	
	Funding	Positions
GPR	\$87,500	0.50
FED	<u>87,500</u>	<u>0.50</u>
Total	\$175,000	1.00

d. Provide \$50,900 GPR and \$50,900 FED in 2023-24, \$54,500 GPR and \$54,500 FED in 2024-25, and 1.0 GPR position and 1.0 FED position annually for facility repair workers for DMA facilities.

ALT 2d	Change to Base	
	Funding	Positions
GPR	\$105,400	1.00
FED	<u>105,400</u>	<u>1.00</u>
Total	\$210,800	2.00

3. Take no action.

Prepared by: Brianna Murphy
Attachment

ATTACHMENT



Source: Department of Military Affairs



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May 25, 2023

Joint Committee on Finance

Paper #555

Wireless Network Administrator (Military Affairs)

[LFB 2023-25 Budget Summary: Page 418, #12]

CURRENT LAW

Under the Department of Military Affairs (DMA), the Wisconsin National Guard, comprised of army and air units, provides soldiers and airmen prepared to deploy to support community, state, and federal missions. Additionally, the Wisconsin National Guard represents the primary combat reserve of the United States Army and Air Force, and the first military responders in Wisconsin in times of emergency.

DISCUSSION POINTS

1. Armories across the state are used by the Army National Guard for training, administration, and material storage for the assigned military units. Armories provide assembly space, classrooms, storage for weapons and protective personal equipment, and training space. Service members go to armories when at "drill" or for "annual training." Staff may be stationed at armories to complete readiness requirements, administrative tasks, supply/logistical management, and facilities management. Additionally, some armories house recruiters who meet with individuals interested in joining the military. The attachment shows the location of DMA buildings across the state.

2. The Department manages state information technology (IT) needs through its State Information Management (SIM) office, which is responsible for: (a) governance, the implementation of operational parameters for working units and individuals' use of IT systems, architecture, and networks; (b) infrastructure, the hardware components, network, circuitry, and all other equipment necessary to make the IT system function according to the established needs of the Department; and (c) functionality, the creation and maintenance of operational applications; developing, securing, and storing electronic data; and assisting in the use of software and data management. Currently, SIM has eight permanent positions that are responsible for all aspects of IT needs.

3. The wireless network is an initiative which has provided wireless networking access to all 67 armories throughout the state, where both state employees and National Guard service members are located. Previously, DMA did not have a wireless network and relied on the physical network located at the DMA Joint Force Headquarters (JFHQ) and internet access provided by the Division of Enterprise Technology (DET) within the Department of Administration to access the state network. As a result, when internet outages occurred between DET and the physical network at the JFHQ, employees in the armories lost access to the state network. The creation of the wireless network is intended to ensure internet access at any of the 67 armories across the state in the event of an internet outage. Additionally, the creation of a virtual software-based daily management network associated with the wireless network will allow DMA to monitor wireless network outages that occur at armories across the state, which will reduce the need for travel in these situations. This project increases readiness and communication with all state employees working out of DMA's armories and National Guard members who use the facilities. The wireless network is intended to enable better access to required systems for staff, and improve the Department's continuity of operations and government abilities.

4. The SIM manages IT operations for DMA employees requiring access to the state network and oversees the installation and maintenance of computer network systems within DMA. Its primary function is to ensure that the network runs smoothly. Currently, the SIM has one network administrator for the agency who is responsible for planning, developing, installing, configuring, maintaining, supporting, and optimizing all network hardware, software, and communication links. With the addition of wireless network management responsibilities, the Department indicates that another network administrator position is necessary to address the increased workload. Without another position, the duties of the current wireless administrator would exceed their capacity. According to DMA, there are no long-term GPR vacancies that could be reallocated and used as a wireless network administrator, and no other staff at DMA have the expertise or network skills to complete the necessary tasks.

5. Assembly Bill 43/Senate Bill 70 (AB 43/SB 70), would provide \$143,200 GPR in 2023-24, \$156,900 GPR in 2024-25, and 1.0 GPR wireless network administrator position annually to manage the Department's wireless network throughout the state. The wireless network administrator would manage installation and maintenance of the wireless network for the armories, including daily monitoring and troubleshooting for any wireless issues. Additionally, the position would coordinate with vendors on software or hardware issues. The table below shows the components of the GPR increase under AB 43/SB 70. According to DOA, \$47,300 of the supplies and services amounts each year would fund a secured-network connection, which provides a cloud-based firewall service/subscription for the network.

**Funding Components for a Wireless Network Administrator
and Secured-Network Connection Under AB 43/SB 70**

	<u>2023-24</u>	<u>2024-25</u>
Salary	\$49,200	\$65,600
Fringe	21,700	29,000
Supplies and Services		
Cloud-Based Firewall	47,300	47,300
One-time Staff Costs	10,000	
Ongoing Staff Costs	15,000	15,000
Supplies and Services Total	<u>72,300</u>	<u>62,300</u>
Grand Total	\$143,200	\$156,900

6. According to DMA, cloud-based firewalls form a virtual barrier around cloud platforms, infrastructure, and applications, just as traditional firewalls form a barrier around an organization's internal network. With the increased use of the cloud at DMA for continuity of operations/government needs and teleworking, a secured-network connection would enable better protection of the overall network. Without a firewall, the wireless network could be at risk of intrusion and hacking attempts.

7. Given that managing the wireless network in the state's armories are an additional, new duty for DMA's IT staff and that the Department does not currently have an administrator dedicated to the new network, the Committee could provide \$143,200 GPR in 2023-24, \$156,900 GPR in 2024-25, and 1.0 GPR position annually to DMA's general program operations appropriation. [Alternative 1]

8. Alternatively, the Committee could provide funding of \$47,300 GPR annually to support a secured-network connection. [Alternative 2] Under this alternative, no funding would be provided for increased staffing. Any additional workload associated with the wireless network would need to be addressed within DMA's existing resources.

9. The Committee could choose to take no action. [Alternative 3] The Department would be required to manage the wireless network with existing resources.

ALTERNATIVES

1. Provide \$143,200 GPR in 2023-24, \$156,900 GPR in 2024-25, and 1.0 GPR position annually to DMA's general program operations appropriation to support the wireless network at DMA armories.

ALT 1	Change to Base	
	Funding	Positions
GPR	\$300,100	1.00

2. Provide funding of \$47,300 GPR annually to support a secured-network connection for the wireless network at DMA armories.

ALT 2	Change to Base
GPR	\$94,600

3. Take no action.

Prepared by: Brianna Murphy
Attachment

ATTACHMENT



Source: Department of Military Affairs



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May 25, 2023

Joint Committee on Finance

Paper #556

Counter-Drug Airplane (Military Affairs and Administration -- General Agency Provisions)

[LFB 2023-25 Budget Summary: Page 23, #7 and Page 418, #13]

CURRENT LAW

Since 1992, the Wisconsin National Guard (WING) counter-drug program under the Department of Military Affairs (DMA) has worked with numerous law enforcement agencies, schools, and community organizations to reduce the supply and demand for illegal drugs. Through the program, analysts and air crews have assisted law enforcement with numerous drug-related crimes, helping disrupt the production, transportation, distribution, and financing of illegal drugs. Through these partnerships with local, state, and federal agencies, the counter-drug program has provided specialized personnel and resources at no cost to the entities receiving assistance.

DISCUSSION POINTS

1. As part of the counter-drug program, WING formerly had access to a federal plane before it was decommissioned at the end of 2022. According to the counter-drug program annual report from 2018 (the most recently-published report available at the time of writing), the RC-26 counter-drug aircraft and crew provided communication capabilities, full motion video, and day and night reconnaissance support. In 2018, the aircrew flew over 483 flight hours and supported 25 law enforcement agencies. Aviation support enabled law enforcement agencies to seize over \$1.4 million in assets, currency, and drugs in 2018. Additionally, the RC-26 plane reduced risk to law enforcement by eliminating the need for high-speed pursuit, one of the leading causes of death among law enforcement. For example, in 2022, the RC-26 was supporting a task force mission and the suspected narcotics dealer began to flee law enforcement on Madison's beltline at speeds exceeding 100 miles per hour. When a plane is used in lieu of a high-speed chase, the suspect typically slows down, and once the individual reaches their destination, that location can be relayed to law enforcement. In

addition to providing support in Wisconsin, the aircrew also served as a regional and national asset by providing support in 10 states, including hurricane support in Puerto Rico. In these efforts, the plane and crew provided assistance during search and rescue missions, wildfires, and flooding incidents.

2. Prior to being decommissioned, the plane was funded by the federal National Guard Bureau (NGB). According to the Department of Administration (DOA), the NGB had plans to decommission the plane for WING's use for several years because it was not being used directly for U.S. Air Force purposes. However, a federal legislative provision required the plane to be maintained for WING. At the end of 2022, that provision was removed and the decommissioning of the plane went into effect.

3. Under Assembly Bill 43/Senate Bill 70, two agencies, DOA and DMA, would be provided funding associated with the counter-drug plane. The bill would provide \$2,577,300 PR in 2023-24, \$2,599,100 PR in 2024-25, and 1.0 PR position annually to DOA's transportation and records appropriation to purchase and maintain a new aircraft for DMA. Revenue for the transportation and records appropriation is generated by charging agencies for use of fleet vehicles and planes. The intention of the recommendation is to replace the RC-26 plane that had been decommissioned. Funding would be provided for: (a) purchase of the aircraft, \$2,170,900 PR annually; (b) salary, fringe benefits, and supplies and services for the position, \$76,400 PR in 2023-24 and \$98,200 PR in 2024-25; and (c) ongoing supplies and services costs, \$330,000 PR annually (including interest from master leasing; subscriptions, dues, and memberships; and insurance). According to DOA, the total estimated cost of the airplane would be \$9.5 million, which would be financed under the master lease program over five years. The position would be a mechanic to provide maintenance for the aircraft at Wisconsin Air Services (WAS) within DOA. The aircraft would be purchased by DOA's Division of Facilities and Transportation Services. The Administration would then charge DMA for the maintenance, supplies, and operations costs of the plane. According to DOA, the procurement process for the counter-drug airplane has not been initiated. Table 1 identifies the DOA counter-drug airplane funding components.

TABLE 1

Components of DOA Funding for Counter-Drug Airplane

<u>Costs</u>	<u>2023-24</u>	<u>2024-25</u>
Airplane Acquisition	\$2,170,900	\$2,170,900
Salary	47,000	62,700
Fringe	18,400	24,500
Personnel Supplies and Services	11,000	11,000
Other Supplies and Services	<u>330,000</u>	<u>330,000</u>
Total	\$2,577,300	\$2,599,100

4. Additionally, AB 43/SB 70 would provide \$4,963,900 GPR in 2023-24, \$3,337,100 GPR in 2024-25, and 3.0 GPR positions annually to DMA's National Guard general program operations appropriation for a new aircraft for counter-drug activities, search and rescue efforts, and disasters. The bill would create statutory language specifying that DMA may provide aerial assistance for incident awareness and assessment, drug interdiction and counter-drug activities, search and rescue efforts, or disasters, and may also seek reimbursement for the cost of any assistance. The Department indicates that, if such language is adopted, it could seek reimbursement from the federal government (for example, the Drug Enforcement Administration and the Federal Emergency Management Agency) or other states for providing drug interdiction or disaster assistance services. Funding would be provided as follows: (a) \$283,400 in 2023-24 and \$308,600 in 2024-25 for staff positions (2.0 aircraft pilots and 1.0 program and policy analyst); (b) \$1,672,000 in 2023-24 in one-time costs for aircraft equipment (for example, specialized communications and operating systems and cameras); (c) \$787,600 in 2023-24 and \$807,600 in 2024-25 for ongoing aircraft supplies and services (fuel, parts, hangar space, maintenance of specialized equipment, and fleet services charges); (d) \$1,950,000 annually associated with the aircraft's decline in value; and (e) \$270,900 annually for master lease interest costs. According to the Department, the decline in value would be billed to DMA by DOA as an expense associated with the cost of the aircraft over a two-year period. Table 2 identifies the DMA counter-drug airplane funding components.

TABLE 2

Components of DMA Funding for Counter-Drug Airplane

<u>Costs</u>	<u>2023-24</u>	<u>2024-25</u>
Salary	\$135,600	\$180,800
Fringe	59,800	79,800
Supplies and Services		
Personnel One-Time	40,000	0
Personnel Ongoing	48,000	48,000
Aircraft One-Time	1,672,000	0
Aircraft Ongoing*	2,737,600	2,757,600
Master Lease Interest	<u>270,900</u>	<u>270,900</u>
Total	\$4,963,900	\$3,337,100

* Includes a decline in value charge of \$1,950,000 annually, which would be charged to DMA by DOA for a two-year period.

5. According to DMA, the program and policy analyst would handle scheduling requests for use of the plane, and two pilots are required per the WAS's policy for passenger flights. The Administration indicates that counter-drug missions typically carry passengers, such as law enforcement officers and DMA staff members. Since the plane would no longer be provided under auspices of the NGB, pilots operating the plane would be civilian, rather than military, pilots. Further, the plane would be hangered in Madison, but most likely on a civilian, rather than military, airfield.

6. According to the Administration, a new counter-drug airplane would do the following: (a) counter-drug operations, including assisting law enforcement through infrared tracking of drugs or drug buyers, and assisting law enforcement in high speed chases by tracking the vehicle from above and reporting the location to law enforcement; (b) incident awareness operations, including reviewing and taking pictures/video of flood damage and fires to assist with disaster assessments; and (c) rescue operations, including search and rescue missions in which infrared cameras search for heat signatures of a missing person or vehicle.

7. Given that providing a new plane to DMA for the Wisconsin National Guard's counter-drug program, disasters, and search and rescue operations would replace a plane that was available to the state since 1996, and the plane could continue to assist with public safety in Wisconsin, the Committee could choose to provide: (a) \$2,577,300 PR in 2023-24, \$2,599,100 PR in 2024-25, and 1.0 PR position annually to DOA's transportation and records appropriation to purchase and maintain a new aircraft for DMA; and (b) \$4,963,900 GPR in 2023-24, \$3,337,100 GPR in 2024-25, and 3.0 GPR positions annually to DMA's National Guard general program operations appropriation for a new aircraft for counter-drug activities, search and rescue efforts, or disasters. The Committee could, further, create statutory language specifying that DMA may provide aerial assistance for incident awareness and assessment, drug interdiction and counter-drug activities, search and rescue efforts, or disasters, and may also seek reimbursement for the cost of any assistance. [Alternative 1] Because DOA would charge DMA \$1,950,000 GPR over a two-year period associated with a decline in value, this amount could be modified as one-time funding in each year of the 2023-25 biennium so it is not built into the base budget.

8. Alternatively, because the procurement process for purchasing a counter-drug airplane has not been initiated, the Committee could provide \$2,577,300 PR and \$4,963,900 GPR in 2023-24 and \$2,599,100 PR and \$3,337,100 GPR in 2024-25 to the Joint Finance Committee's supplemental PR and GPR appropriations [s. 20.865(4)(g) and 20.865(4)(a), respectively]. The Committee could create statutory language specifying that DMA may provide aerial assistance for incident awareness and assessment, drug interdiction and counter-drug activities, search and rescue efforts, or disasters, and may also seek reimbursement for the cost of any assistance. [Alternative 2] Once DOA is prepared to purchase the airplane, DOA and DMA could seek release of funds from the Joint Finance Committee and the creation of any necessary positions, under the provisions of s. 13.10 of the statutes.

9. Under Alternatives 1 and 2, DOA would charge DMA \$1,950,000 GPR annually over a two-year period associated with a decline in value of the plane (41% of the purchase price). However, according to the International Air Transport Association, aircraft assets generally decline in value over a 15- to 25-year period. Thus, in combination with funding provided under Alternatives 1 or 2, the Committee could choose to fund the aircraft's decline in value (100% of the purchase price) over a 20-year period instead of a portion of the value over a two-year period, as assumed under the bill. Rather than providing one-time funding of \$1,950,000 GPR annually for two years, the Committee could provide \$475,000 GPR annually of ongoing funding to support charges to DMA that would occur over 20 years. [Alternative 3] This alternative would reduce funding provided to DMA for the plane under Alternatives 1 or 2 by \$1,475,000 GPR annually in the 2023-25 biennium.

It should be noted that in the 2021-22 unsupported overdraft plan (s. 16.513) submitted to

the Committee on December 28, 2022, DOA indicated that the transportation and records appropriation overdraft was \$28,391,600 at the end of the 2021-22 fiscal year, supported by assets of \$26,430,700, leaving an unsupported overdraft of \$1,960,900. Under Alternatives 3a and 3b, the unsupported overdraft of this appropriation in 2023-24 and 2024-25 would likely be greater than under Alternatives 1 or 2, since DOA would incur the same expenses, but would receive less in revenue over the 2023-25 biennium, and instead recover costs over a longer period of time (20 years).

10. The Committee could choose to take no action [Alternative 4]. Under this alternative, the decommissioned RC-26 aircraft would not be replaced.

ALTERNATIVES

1. Provide \$2,577,300 PR in 2023-24, \$2,599,100 PR in 2024-25, and 1.0 PR position annually to DOA's transportation and records appropriation to purchase and maintain a new aircraft for DMA. Provide \$4,963,900 GPR in 2023-24, \$3,337,100 GPR in 2024-25, and 3.0 GPR positions annually to DMA's National Guard general program operations appropriation for a new aircraft for counter-drug activities, search and rescue efforts, or disasters. Create statutory language specifying that DMA may provide aerial assistance for incident awareness and assessment, drug interdiction and counter-drug activities, search and rescue efforts, or disasters, and may also seek reimbursement for the cost of any assistance. Because DOA would charge DMA \$1,950,000 GPR over a two-year period for a decline in value, place funding on the one-time financing line in each year of the 2023-25 biennium.

ALT 1	Change to Base	
	Funding	Positions
GPR	\$8,301,000	3.00
PR	<u>5,176,400</u>	<u>1.00</u>
Total	\$13,477,400	4.00

2. Create statutory language specifying that DMA may provide aerial assistance for incident awareness and assessment, drug interdiction and counter-drug activities, search and rescue efforts, or disasters, and may also seek reimbursement for the cost of any assistance. Place \$2,577,300 PR in 2023-24 and \$2,599,100 PR in 2024-25 for DOA, and \$4,963,900 GPR in 2023-24 and \$3,337,100 GPR in 2024-25 for DMA, in the Joint Finance Committee's PR and GPR supplemental appropriations [s. 20.865(4)(g) and s. 20.865(4)(a), respectively] for possible release to the agencies subsequent to DOA being prepared to purchase the airplane.

ALT 2	Change to Base
GPR	\$8,301,000
PR	<u>5,176,400</u>
Total	\$13,477,400

3. Modify Alternative 1 or 2 to reduce funding associated with the decline in the airplane's value.

a. Modify Alternative 1 to provide ongoing funding of \$475,000 GPR annually to DMA in the 2023-25 biennium for charges associated with the counter-drug airplane's decline in value, rather than one-time funding of \$1,950,000 GPR annually.

ALT 3a	Change to Base	
	Funding	Positions
GPR	\$5,351,000	3.00
PR	<u>5,176,400</u>	<u>1.00</u>
Total	\$10,527,400	4.00

b. Modify the amounts provided to the Committee's supplemental appropriations under Alternative 2 to provide funding of \$475,000 GPR annually for ongoing charges to DMA associated with the counter-drug airplane's decline in value over 20 years, rather than for one-time funding of \$1,950,000 GPR annually.

ALT 3b	Change to Base
GPR	\$5,351,000
PR	<u>5,176,400</u>
Total	\$10,527,400

4. Take no action.

Prepared by: Brianna Murphy



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May 25, 2023

Joint Committee on Finance

Paper #557

Cybersecurity Grant Matching Funds (Military Affairs)

[LFB 2023-25 Budget Summary: Page 419, #15]

CURRENT LAW

The State and Local Cybersecurity Grant Program (SLCGP), administered by the Cybersecurity and Infrastructure Security Agency under the federal Department of Homeland Security (DHS), provides funding to address cybersecurity risks and threats to information systems owned or operated by, or on behalf of, state, local, or tribal governments. The grant program is funded by the Infrastructure Investment and Jobs Act (IIJA), which provided \$1 billion for the program to be awarded over four years, between FFY22 (federal fiscal year 2022) through FFY25. In FFY22, \$183.5 million was made available for the grant program. In future years, it is anticipated that the total amount available will be approximately: \$400 million in FFY23; \$300 million in FFY24; and \$100 million in FFY25.

The grant program requires 80% of state allocations to be made to local entities and 25% to rural communities; these amounts may overlap. A maximum of 20% can be used to administer the grant program. Other eligibility requirements for states and territories include: (a) the establishment of a cybersecurity planning committee that coordinates, develops, and approves a cybersecurity plan; and (b) cost share requirements, which may be paid with cash or third-party in-kind non-federal funding. The federal cost share (match) requirement is anticipated to be 90% in FFY22; 80% in FFY23; 70% in FFY24; and 60% in FFY25.

DISCUSSION POINTS

1. Public-sector cybersecurity has become an increasing concern for state and local governments. According to recent press accounts, in 2020, 44% of global ransomware attacks targeted municipalities. In 2021, 77 state and municipal governments and agencies were affected by ransomware attacks in the United States. In general, victims were smaller municipalities and counties.

These same accounts suggest that local governments were more generally targeted because: (a) it is difficult to implement a unified public-sector cybersecurity strategy across all local governments; (b) local and state governments may store sensitive data; (c) local government systems are often poorly defended (especially in comparison to federal government systems); (d) local governments may face financial constraints in recruiting and hiring security professionals; and (e) local governments have deployed internet-connected devices to provide, monitor, and manage services, which may benefit citizens but may also create vulnerabilities and risks for local governments.

2. For the FFY22, Wisconsin was awarded \$3,794,500 with a 90% cost share (including a state share of \$421,600, for a total grant amount of \$4,216,100). The Department of Military Affairs received the FFY22 grant award letter in December, 2022, and is developing the grant plan. Therefore, DMA has not yet distributed subgrants, but anticipates that it will distribute approximately 20 to 30 subgrants no earlier than the fall of 2023-24. According to DMA, the first year of grants would be made using a formula, but the details have yet to be finalized. The Department will retain 5% of the award for management and administration (M&A) of the grant, and the remaining 95% will be subgranted to local entities and rural communities.

3. Applicants of the subgrants are required to address how the following program objectives will be met: (a) develop and establish appropriate governance structures, including developing, implementing, or revising cybersecurity plans to improve capabilities to respond to cybersecurity incidents and ensure continuity of operations; (b) understand the organization's current cybersecurity posture and areas for improvement based on continuous testing, evaluation, and structured assessments; (c) implement security protections commensurate with risk; and (d) ensure organization personnel are appropriately trained in cybersecurity, commensurate with responsibility.

4. Under Assembly Bill 43/Senate Bill 70, \$975,100 GPR would be provided in 2023-24, and \$1,118,500 GPR in 2024-25 to support state matching funds for the federal Department of Homeland Security's State and Local Cybersecurity Grant Program. The Administration's intent in recommending these amounts was to provide the full amount of local match funding for FFY22 and FFY23, and the full amount of M&A match funding for FFY22, FFY23, and FFY24. The Administration assumed that DMA would receive a federal award of \$3,795,600, requiring a match of \$421,700. (The award letter to DMA provided \$3,794,500, with a total project amount of \$4,216,100 and a total state match requirement of \$421,600.)

5. The Administration also assumed that DMA would award 15% of the cybersecurity grants to state agencies, with agencies providing matching amounts. However, DMA indicates that it does not intend on providing grants to state agencies. Aside from the amounts it retains for the management and administration of the grant program, DMA would distribute all grant funds as subawards to local entities and rural communities. Because the Administration budgeted funds to state agencies and did not provide matching funds for these amounts, the amounts provided under AB 43/SB 70 would support some, but not all, required matching funds for subgrant recipients. Specifically, the amounts provided under AB 43/SB 70 would support 84% of the match requirements for local entities and rural communities. Table 1 below shows the multi-year funding plan for SLCGP under AB 43/SB 70 (in terms of federal fiscal years). Table 2 shows the funding components under AB 43/SB 70 in state fiscal years 2023-24 and 2024-25, and the biennial total.

TABLE 1

Multi-Year Funding Plan for SLCGP under AB 43/SB 70

<u>FFY</u>	<u>Required State Match</u>	<u>Federal Award</u>	<u>Total State Match</u>	<u>Total Funding</u>	<u>State M&A Costs (5%)</u>	<u>State M&A Match</u>	<u>State Agency Grant Award (15%)</u>	<u>State Agency Match</u>	<u>Local Grant Awards (80%)</u>	<u>Local Match</u>
2022*	10%	\$3,795,600	\$421,700	\$4,217,300	\$210,900	\$21,100	\$632,600	\$63,300	\$3,373,900	\$337,400
2023*	20	7,591,300	1,897,800	9,489,100	474,500	94,900	1,423,400	284,700	7,591,300	1,518,300
2024*	30	5,693,500	2,440,100	8,133,600	406,700	122,000	1,220,000	366,000	6,506,800	1,952,000
2025*	40	1,897,800	1,265,200	3,163,000	158,200	63,300	474,500	189,800	2,530,400	1,012,200

*Estimated award and match amounts

TABLE 2

Funding Components under AB 43/SB 70

	<u>2023-24</u>	<u>2024-25</u>	<u>Biennial Total</u>
M&A Cost Share (FFY22, FFY23, FFY24)	\$116,000	\$122,000	\$238,000
Local Cost Share (FFY22)	100,000	237,400	337,400
Local Cost Share (FFY23)	<u>759,100</u>	<u>759,100</u>	<u>1,518,200</u>
Total Funding	\$975,100	\$1,118,500	\$2,093,600

6. The M&A match requirement for the FFY22 award is \$21,100. According to DMA, it is funding \$15,000 of this amount in 2022-23 using cost savings from a position vacancy in its GPR National Guard general program operations appropriation. However, DMA indicates that it does not have resources to provide match funding beyond this amount, and it cannot guarantee that it will continue to have GPR cost savings in the future as the position may become filled. The remainder of the required FFY22 M&A amount (\$6,100) will need to be supported in state fiscal year 2023-24, along with the M&A amount for FFY23 (\$94,900). The M&A amount for FFY24 (\$122,000) will need to be supported in state fiscal year 2024-25. Regarding local match requirements, DMA indicates that, based upon past experience with grant programs providing support to smaller and rural communities, it anticipates that there would be a need for match funding assistance among these communities.

7. Given that DMA does not have sufficient GPR funding to provide matching funds for SLCGP and federal funding for cybersecurity improvements could assist local entities and rural communities across the state in addressing cybersecurity risks and threats, the Committee could provide \$975,100 GPR in 2023-24 and \$1,118,500 GPR in 2024-25 for state matching funds for the federal Department of Homeland Security's State and Local Cybersecurity Grant Program. [Alternative 1] Funding under this alternative would support M&A matching funds and a portion (84%) of the matching funds required for local subgrants.

8. Alternatively, the Committee could provide the full amount of match funding needed for M&A and local subgrants, in line with the original intent of Alternative 1. To this end, the

Committee could provide \$1,202,700 GPR in 2023-24 and \$1,223,800 GPR in 2024-25. [Alternative 2] The 2023-24 amount excludes \$15,000 GPR for the FFY22 M&A match of \$21,100 because DMA has GPR resources to cover this amount in 2022-23, but includes the remaining \$6,100 needed for the \$21,100 FFY22 M&A match requirement. Providing the total match requirements for SLCGP in 2023-24 and 2024-25 would ensure that local entities and rural communities are more readily able to accept subgrants. Table 3 below shows the multi-year funding plan for SLCGP under this alternative (in terms of federal fiscal years). Table 4 shows the funding components under this alternative in state fiscal years 2023-24 and 2024-25, and the biennial total.

TABLE 3

Multi-Year Funding Plan for SLCGP under Alternative 2

<u>FFY</u>	<u>State Match</u>	<u>Federal Award</u>	<u>Total State Match</u>	<u>Total Funding</u>	<u>State M&A Costs (5%)</u>	<u>State M&A Match</u>	<u>Local Grant Awards (95%)</u>	<u>Local Match</u>
2022	10%	\$3,794,500	\$421,600	\$4,216,100	\$210,800	\$21,100	\$4,005,300	\$400,500
2023*	20	7,591,300	1,897,800	9,489,100	474,500	94,900	7,591,300	1,803,000
2024*	30	5,693,500	2,440,100	8,133,500	406,700	122,000	6,506,800	2,318,000
2025*	40	1,897,800	1,265,200	3,163,000	158,200	63,300	2,530,400	1,202,000

*Estimated award and match amounts

TABLE 4

Funding Components under Alternative 2

	<u>2023-24</u>	<u>2024-25</u>	<u>Biennial Total</u>
M&A Cost Share (FFY22, FFY23, FFY24)	\$101,000	\$122,000	\$223,000
Local Cost Share (FFY22)	200,200	200,300	400,500
Local Cost Share (FFY23)	<u>901,500</u>	<u>901,500</u>	<u>1,803,000</u>
Total Funding	\$1,202,700	\$1,223,800	\$2,426,500

9. If the Committee chooses to provide match funding for only M&A and not for local subgrants, it could provide \$101,000 GPR in 2023-24 and \$122,000 GPR in 2024-25. [Alternative 3] The 2023-24 amount excludes \$15,000 GPR for the FFY22 M&A match of \$21,100 because DMA has GPR resources to cover this amount in 2022-23, but includes the remaining \$6,100 needed for the FFY22 M&A match requirement. Under this alternative, DMA would have sufficient funding to manage and administer the grant program, and local entities could accept subgrants to the extent that they are able to fund the local subgrant match requirements. [This alternative would be instead of, rather than in addition to, Alternatives 1 or 2.]

10. If the Department is not able to match the federal grant, DMA may be required to return cybersecurity grant monies to the federal government.

ALTERNATIVES

1. Provide \$975,100 GPR in 2023-24 and \$1,118,500 GPR in 2024-25 to DMA's National Guard general program operations appropriation to fund a portion of state matching funds for the federal Department of Homeland Security's State and Local Cybersecurity Grant Program.

ALT 1	Change to Base
GPR	\$2,093,600

2. Provide \$1,202,700 GPR in 2023-24 and \$1,223,800 GPR in 2024-25 to DMA's National Guard general program operations appropriation to fund all state matching funds for the federal Department of Homeland Security's State and Local Cybersecurity Grant Program.

ALT 2	Change to Base
GPR	\$2,426,500

3. Provide \$101,000 GPR in 2023-24 and \$122,000 GPR in 2024-25 to the Department's National Guard general program operations appropriation to fund DMA's management and administration matching funds for the federal Department of Homeland Security's State and Local Cybersecurity Grant Program.

ALT 3	Change to Base
GPR	\$223,000

4. Take no action.

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May 25, 2023

Joint Committee on Finance

Paper #558

Town of Silver Cliff Public Safety Building (Military Affairs)

[LFB 2023-25 Budget Summary: Page 419, #16]

CURRENT LAW

Under the state disaster assistance program, the Department of Military Affairs (DMA) may make payments from the state disaster assistance appropriation account to local governmental units for the damages and costs incurred as the result of a disaster if federal funding is not available because: (a) the Governor's request that the President declare the disaster a major disaster under the federal definition has been denied; or (b) the Department determines the disaster does not meet the statewide or countywide per capita impact indicators under the public assistance program issued by the federal emergency management agency (FEMA). The entity receiving the grant is required to pay for 30 percent of the amount of damages and costs resulting from the disaster. Base funding for the program is \$1,422,400.

DISCUSSION POINTS

1. In June, 2022, the Town of Silver Cliff in Marinette County experienced damage from a tornado, which destroyed its public safety building (among other property). According to a media account, the public safety building housed the fire department and rescue squad. The same account indicated, however, that the town faced a \$1 million to \$1.5 million deficit in funding for the rebuild, partly because the town was under-insured.

2. The Town of Silver Cliff hired an engineering firm to design the new public safety building, resulting in a \$3 million cost estimate for the rebuild. The town currently has \$1 million to support the rebuild from insurance and private donations and is in the process of applying for a federal Community Development Block Grant for public facilities (PF), which it will submit when the grant period opens in May, 2023. The town plans to seek \$1 million in grant funding, the maximum grant amount under the state's CDBG-PF program. According to the Administration, award announcements

will be made no later than July 21, 2023. If the town were awarded the grant, it would still face a funding gap of \$1 million to rebuild the public safety building.

3. According to DMA, the tornado event did not meet the statewide and countywide per capita impact indicators under the public assistance program issued by FEMA, and therefore did not meet the FEMA eligibility requirements to request a federal disaster declaration. The Town of Silver Cliff was eligible for consideration under the state disaster assistance program and received \$36,600 for eligible costs. However, among other items, administrative rules specify that the following do not qualify for reimbursement: (a) damage to buildings and equipment; (b) costs for which payment has been, or will be, received from any other funding source; and (c) disaster-related costs which should be covered and compensated by insurance. Allowable uses of state disaster assistance include: (a) debris removal; (b) emergency protective measures; and (c) public road and bridge repairs.

4. Assembly Bill 43/Senate Bill 70 would provide \$1,000,000 GPR in 2023-24 through DMA's state disaster assistance program, and exempt the town from meeting the program requirements. Given the Town of Silver Cliff's need for additional funding to rebuild its public safety building, the Committee could choose specify that the current law requirements to receive disaster assistance would not apply to the payment to the Town of Silver Cliff and provide one-time funding of \$1,000,000 GPR in 2023-24. [Alternative 1]

5. On the other hand, the Committee could take no action as the town does not qualify for state disaster assistance. [Alternative 2] As a result, the Town would be required to seek other funding options for the rebuild of its public safety building.

ALTERNATIVES

1. Provide \$1,000,000 in 2023-24 to the Department's GPR appropriation for state disaster assistance for the Town of Silver Cliff. Exempt the Town from meeting program requirements in order to receive the grant.

ALT 1	Change to Base
GPR	\$1,000,000

2. Take no action.

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May 25, 2023

Joint Committee on Finance

Paper #559

Homeland Security Office (Military Affairs)

[LFB 2023-25 Budget Summary: Page 420, #18]

CURRENT LAW

As the head of the Department of Military Affairs (DMA), the Adjutant General (TAG) serves as the chair to Wisconsin's Homeland Security Council and the Homeland Security Advisor to the Governor. The Adjutant General also serves as the Governor's Cybersecurity Advisor. The Homeland Security Council is a 16-member, non-statutory council responsible for advising the Governor on homeland security issues, coordinating state and local threat prevention and response efforts, and producing reports on the state of homeland security in Wisconsin. The Council works with local, state, federal, and tribal agencies, non-governmental organizations, and private industry to improve citizen and community preparedness to threats to the state. The Governor appoints members to the Homeland Security Council.

Under DMA, the State Emergency Operations Center (SEOC) responds to every type of emergency in Wisconsin, including manmade and natural disasters and homeland security threats. The SEOC facilitates coordination between Wisconsin's state agencies to ensure that there is an effective response to emergencies in Wisconsin.

DISCUSSION POINTS

Background

1. The Department of Military Affairs identifies five main threats within the state: cartel facilitation of illicit drugs, intellectual property theft, cyber intrusions and attacks, domestic violent extremists, and misinformation and disinformation campaigns.

2. ***Cartel Facilitation of Illicit Drugs.*** According to DMA, in 2021, fentanyl overdose was the leading cause of death among Americans ages 18 to 45. Drug-related deaths have increased

dramatically in recent years. For example, Wisconsin's Department of Health Services reports that fentanyl overdose deaths in Wisconsin increased by 97% from 2019 (651 deaths) to 2021 (1,280 deaths). Additionally, cocaine deaths involving synthetic opioids increased by 134% from 2019 (182 deaths) to 2021 (426 deaths). Information presented at a hearing on illicit fentanyl tracking before the US Senate Foreign Relations Committee in February, 2023, indicated that China is the predominate supplier of fentanyl precursors, which are transported to Mexican cartels for production in labs before being trafficked into the United States.

3. ***Intellectual Property Theft.*** The 2022 US National Security Strategy (NSS) characterizes the security environment as one of strategic competition in which countries such as China and Russia compete against the US for advantages in the economic, information, and security domains. One way China has gained a competitive advantage is through intellectual property theft. According to media accounts, China has illegally acquired trillions of dollars in intellectual property from within the global manufacturing, energy, and pharmaceutical sectors. For example, the Chinese company Sinovel was convicted of conspiracy to commit trade secret theft, theft of trade secrets, and wire fraud after stealing wind turbine code in 2011 from a US-based company, AMSC (formerly known as American Superconductor, Inc.). The code was downloaded from an AMSC computer in Wisconsin. The theft cost AMSC more than \$800 million. According to DMA, the NSS seeks to mitigate theft of intellectual property by integrating local, state, and federal law enforcement, homeland security, and intelligence efforts.

4. ***Cyber Intrusions and Attacks.*** According to DMA, Wisconsin civil and municipal cyber networks are under constant threat of cyberattacks. In 2022, DMA's cyber response team, along with the US Cybersecurity and Infrastructure Security Agency (CISA), responded to 16 events. The 2023 US National Cybersecurity Strategy indicates that, as software systems grow more complex, they provide value to companies and consumers, but also increase collective insecurity by layering new functionality and technology onto intricate and brittle systems at the expense of security and resilience. For example, new artificial intelligence systems are heightening the complexity and risk associated with important technological systems. According to DMA, as complexity increases without proportionate increases in education and security protocols, malicious actors may be able to uncover more vulnerabilities.

5. ***Domestic Violent Extremists.*** While incidents involving domestic violent extremists are not new in the US, such events are increasing. According to the US Government Accountability Office, over the last ten years, domestic terrorism-related investigations have grown by 357%. For example, there has been a surge of attacks on power substations, in some cases resulting in power outages. According to DMA, there have been at least two suspicious incidents at power substations in Wisconsin in 2023.

6. ***Misinformation and Disinformation Campaigns.*** According to CISA, misinformation is false, but not created or shared with the intention of causing harm; disinformation is deliberately created to mislead, harm, or manipulate a person, social, group, organization, or country; and malinformation is based on fact, but used out of context to mislead, harm, or manipulate. The agency indicates that foreign actors use misinformation, disinformation, and misinformation campaigns to cause chaos, confusion, and division, with the intent of interfering with democracy and national cohesiveness.

Homeland Security Office

7. Under Assembly Bill 43/Senate Bill 70, an Office of Homeland Security would be created within the Department of Military Affairs (DMA). The bill specifies that: (a) the Office would have the meaning of a "bureau" in statutes; (b) the director of the Office would be appointed by the Adjutant General; and (c) the Office would coordinate with the federal Department of Homeland Security and state and local law enforcement agencies to identify, investigate, assess, report, and share tips and leads linked to emergency homeland security threats. The bill would create an annual office of homeland security appropriation and provide the Office with expenditure and position authority of \$244,700 GPR in 2023-24, \$313,000 GPR in 2024-25, and 4.0 GPR positions annually. The 4.0 positions in the Homeland Security Office would include one supervisor and three program staff that would work with state, local, and federal government information related to homeland security. Funding would support the salaries, fringe benefits, and ongoing supplies and services for the recommended positions. Table 1 below indicates the cost components of a Homeland Security Office under AB 43/SB 70.

TABLE 1

Cost Components of Homeland Security Office under AB 43/SB 70

<u>Costs</u>	<u>2023-24</u>	<u>2024-25</u>
Salary for 1.0 Supervisor	\$51,100	\$68,100
Fringe for 1.0 Supervisor	22,500	30,000
Salaries for 3.0 Program Staff	91,000	121,400
Fringe for 3.0 Program Staff	40,100	53,500
Supplies and Services (Ongoing)	<u>40,000</u>	<u>40,000</u>
Total	\$244,700	\$313,000

8. According to the Department of Administration (DOA), the 4.0 positions recommended for the Office would assist with: (a) analyzing critical infrastructure; (b) assessing and prioritizing homeland security threats; (c) developing homeland security policy, strategy, outreach, and training on threat awareness; (d) improving and coordinating homeland security initiatives and information across all levels of government; (e) protecting the critical infrastructure of the state and recovering disrupted essential services; (f) improving the state's capability to prevent terrorism; (g) identifying and reducing the influence of adversaries to the state; (h) providing administration services for the Wisconsin Homeland Security Council (which currently does not have full-time administrative resources); (i) managing the homeland security grant program; and (j) identifying and assessing cybersecurity concerns.

9. Additionally, the Homeland Security Office would coordinate with all levels of government and critical infrastructure entities, such as power plants. By consolidating information from all levels of government and critical infrastructure entities, the Office is intended to provide a broad view of the threats concerning the state. The National Governor's Association Homeland Security guidance report recommends that states have a homeland security organization that can share information both within the state and with neighboring states. According to the Administration, the intent of creating the Homeland Security Office would be to provide an entity that can consolidate

important information and ensure that the correct entities and individuals are made aware of threats in a timely and comprehensive manner when they arise. The Homeland Security Office would coordinate with Wisconsin's Protective Security Advisors (liaisons of the federal Department of Homeland Security) and state agencies, including the Capitol Police, the Wisconsin Statewide Intelligence Center, the Wisconsin State Patrol, and the Department of Natural Resources. Protective Security Advisors support planning, outreach, and training initiatives and serve as liaisons to government officials and private sector critical infrastructure owners/operators during and after incidents.

10. The Administration indicates that, upon creation of a Homeland Security Office, the SEOC would still respond to emergencies, and the positions under the Homeland Security Office would be integrated into the SEOC response.

11. Given that a Homeland Security Office could consolidate important information on threats to the state, prioritize threats, and provide a deeper understanding of threats to the state's security, the Committee could create an Office of Homeland Security under DMA. [Alternative 1] The Committee could specify that: (a) the Office would have the meaning of a "bureau" in statutes; (b) the director of the Office would be appointed by the Adjutant General; and (c) the Office would coordinate with the federal Department of Homeland Security and state and local law enforcement agencies to identify, investigate, assess, report, and share tips and leads linked to emergency homeland security threats. The Committee could create an office of homeland security appropriation and provide \$244,700 GPR in 2023-24, \$313,000 GPR in 2024-25, and 4.0 GPR positions annually.

12. Alternatively, given that the Office would be a new state function, the Committee could create a Homeland Security Office but provide a lesser amount of funding and position authority. [Alternative 2] The Committee could create an Office of Homeland Security under DMA, and specify that: (a) the Office would have the meaning of a "bureau" under s. 15.01(6) of the statutes; (b) the director of the Office would be appointed by the Adjutant General; and (c) the Office would coordinate with the federal Department of Homeland Security and state and local law enforcement agencies to identify, investigate, assess, report, and share tips and leads linked to emergency homeland security threats. The Committee could create an annual office of homeland security appropriation and provide \$137,300 GPR in 2023-24, \$176,500 GPR in 2024-25, and 2.0 GPR positions annually. This alternative would allow DMA to begin operation of the Office and assess the need for further future resources. Table 2 below indicates the cost components of a Homeland Security Office with 2.0 positions.

TABLE 2

Cost Components of Homeland Security Office with 2.0 Positions

<u>Costs</u>	<u>2023-24</u>	<u>2024-25</u>
Salary for 1.0 Supervisor	\$51,100	\$68,100
Fringe for 1.0 Supervisor	22,500	30,000
Salary for 1.0 Program Staff	30,300	40,500
Fringe for 1.0 Program Staff	13,400	17,900
Supplies and Services (Ongoing)	<u>20,000</u>	<u>20,000</u>
Total	\$137,300	\$176,500

13. Finally, the Committee could take no action. [Alternative 3] Under this alternative, threats to Wisconsin would continue to be handled situationally by the SEOC under DMA. Further, TAG would continue to serve as the Governor's homeland security advisor with assistance from the Governor's Homeland Security Council.

ALTERNATIVES

1. Create an Office of Homeland Security under DMA. Specify that: (a) the Office would have the meaning of a "bureau" in statutes; (b) the director of the Office would be appointed by the Adjutant General; and (c) the Office would coordinate with the federal Department of Homeland Security and state and local law enforcement agencies to identify, investigate, assess, report, and share tips and leads linked to emergency homeland security threats. Create an annual office of homeland security appropriation and provide \$244,700 GPR in 2023-24, \$313,000 GPR in 2024-25, and 4.0 GPR positions annually.

ALT 1	Change to Base	
	Funding	Positions
GPR	\$557,700	4.00

2. Create an Office of Homeland Security under DMA. Specify that: (a) the Office would have the meaning of a "bureau" in statutes; (b) the director of the Office would be appointed by the Adjutant General; and (c) the Office would coordinate with the federal Department of Homeland Security and state and local law enforcement agencies to identify, investigate, assess, report, and share tips and leads linked to emergency homeland security threats. Create an annual office of homeland security appropriation and provide \$137,300 GPR in 2023-24, \$176,500 GPR in 2024-25, and 2.0 GPR positions annually.

ALT 2	Change to Base	
	Funding	Positions
GPR	\$313,800	2.00

3. Take no action.

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May 25, 2023

Joint Committee on Finance

Paper #560

Air Refueling Wing Consultant (Military Affairs)

[LFB 2023-25 Budget Summary: Page 420, #19]

CURRENT LAW

The Wisconsin Air National Guard, 128th Air Refueling Wing (128th ARW), which operates out of General Mitchell Field in Milwaukee, currently utilizes ten assigned KC-135 Stratotanker aircraft to complete aircraft refueling operations for the United States Air Force. The average age of the 128th ARW's KC-135 Stratotanker aircraft, first produced in 1957, is over 40 years.

DISCUSSION POINTS

1. In April, 2006, Air Force completed an analysis of alternatives to determine the most appropriate strategy for modernizing the existing aerial refueling tanker aircraft fleet, and determined that the KC-46A Pegasus would replace its aging fleet of aerial refueling tankers. Since then, Congressional authority funded the purchase of 179 KC-46A aircraft to be phased into Air Force operations by 2029 to enhance operations, and increase mission effectiveness.

2. Bases across the country are in the process of competing to be main operating bases for the KC-46A aircraft. The Department anticipates that Wisconsin will be in the running to be the eighth or ninth bases in the "bed down" phase. If Wisconsin is selected, the 128th ARW would receive KC-46A aircraft to use for refueling operations and transportation needs. The Air Force has contracted to purchase 175 KC-46A aircraft with the last to be delivered in 2029 followed by the purchase of potentially 75 more "bridge" tankers that could be additional KC-46A aircraft. According to DMA, bridge tankers are additional aircraft that may be allocated in the future but has not been fully authorized by Congress.

3. In the past, DMA has worked with a consultant to better prepare the 128th ARW as a viable candidate for a KC-46A bed down site. In a six-month period, the agency spent \$87,500 GPR

for initial preparatory services. The costs for the consultant were reallocated from within the agency due to a long-term vacancy (the incumbent had been on military deployment for several years). The position has since been filled.

4. According to DMA, its current KC-135 aircraft fleet is at its end-of-life, and failing to secure the KC-46A aircraft or “bridge” tankers could result in an increased likelihood of the 128th ARW base being closed or transitioned to a non-flying mission by Air Force in the future.

5. The Department indicates that it does not have the specific expertise or knowledge to adequately navigate the bed down process and provide the technical support to position the 128th ARW to receive the new KC-46A aircraft. A consultant who consistently engages with aircraft bed downs, could promote the 128th ARW as a viable location, and could assist DMA with technical and policy needs could help Wisconsin better compete as a KC-46A bed down site. The consultant would do site reviews, read reports, and provide and present information.

6. Funding for the consultant would be one-time funding for two years. The Department determined the funding amount needed by estimating 800 hours of consulting at \$125 per hour. Given that a fleet of KC-46A aircraft would modernize the 128th ARW's aircraft for refueling operations, the Committee could provide \$100,000 GPR annually for a consultant to help position Wisconsin as a location for the Air Force to place new refueling aircraft. [Alternative 1]

7. Alternatively, the Committee could provide \$50,000 GPR annually for a consultant to help place new refueling aircraft. [Alternative 2] This funding amount would support the cost of a consultant for 400 hours at \$125 per hour. Funding for the consultant would be one-time funding for two years.

8. The Committee could take no action. [Alternative 3] As a result, DMA could still compete for the KC-46A aircraft bed down but without the assistance of a consultant.

ALTERNATIVES

1. Provide \$100,000 GPR annually on a one-time basis for a consultant to assist DMA in competing as a potential location for the Air Force to place new refueling aircraft.

ALT 1	Change to Base
GPR	\$200,000

2. Provide \$50,000 GPR annually on a one-time basis for a consultant to assist DMA in competing as a potential location for the Air Force to place new refueling aircraft.

ALT 2	Change to Base
GPR	\$100,000

3. Take no action.

Prepared by: Brianna Murphy

MILITARY AFFAIRS

LFB Summary Items for Which No Issue Paper Has Been Prepared

<u>Item #</u>	<u>Title</u>
8	Tuition Grant Program Automation
9	Fuel and Utilities Reestimate

