

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### **Aid to 18-Year-Old Students (Workforce Development--Economic Support and Child Care)**

[LFB Summary: Page 695, #16]

## CURRENT LAW

Under current law, eligibility for aid to families with dependent children (AFDC) generally ends on a child's 18th birthday. However, a person who is 18 years of age, and enrolled in and regularly attending a secondary education classroom program leading to a high school diploma may receive an AFDC payment provided the person had received AFDC benefits prior to their 18th birthday, but not as a foster child in a foster home. The monthly benefit is the amount that the person was entitled to under the AFDC program when the person was a 17-year-old. However, if the person's family became ineligible for aid on the individual's 18th birthday, the person receives \$249 per month, the AFDC benefit amount for a one-person family.

## GOVERNOR

Eliminate payment under the AFDC program for 18-year-old high school students who are ineligible for AFDC solely because of their age. This provision would take effect on the day after publication of the budget bill.

## DISCUSSION POINTS

1. Under the Wisconsin Works (W-2) legislation (1995 Wisconsin Act 289), no person may be eligible to receive benefits under the state's basic AFDC program beginning on

January 1, 1999, or the first day of the sixth month beginning after the statewide starting date for W-2, whichever is sooner. Act 289 also ends the following programs related to AFDC on that date: job opportunities and basic skills (JOBS), the parental and family responsibility pilot project and the work-not-welfare pilot. Most other current provisions relating to AFDC will be repealed six months after the start-up of W-2.

2. Act 289 did not include a specific sunset date for the provisions regarding assistance to 18-year-old students, which are in a separate section of the statutes from the basic AFDC program. The Governor's recommendation would clarify that these provisions would be repealed along with the other components of the AFDC program.

3. The budget provision would eliminate the provisions for 18-year-old students on the day after publication of the bill. The other AFDC provisions will sunset six months after the statewide start-up of W-2, which is expected to occur on September 1, 1997. In order to be consistent with the sunset date for the other elements of the AFDC program, the budget provision could be modified to repeal the statutes regarding aid to 18-year-old students on the first day of the sixth month beginning after the statewide starting date for W-2.

4. A separate portion of the bill includes \$32.6 million for AFDC benefits during the first two months of 1997-98. The administration indicates that this funding has not been reduced to reflect the elimination of aid to 18-year-old students. Therefore, if the Committee modifies the effective date of the budget provision, the funding for AFDC benefits would not need to be adjusted. If the effective date recommended by the Governor is retained, the AFDC funding amount could be decreased by \$15,000 in 1997-98.

#### ALTERNATIVES TO BASE

1. Approve the Governor's recommendation to eliminate payment under the AFDC program for 18-year-old high school students who are ineligible for AFDC solely because of their age, effective on the day after publication of the budget bill. Reduce funding for AFDC benefits by \$15,000 in 1997-98.

<u>Alternative 1</u>	<u>ALL FUNDS</u>
1997-99 FUNDING (Change to Base)	- \$15,000
[Change to Bill]	- \$15,000]

2. Eliminate payment under the AFDC program for 18-year-old high school students who are ineligible for AFDC solely because of their age, effective on the first day of the sixth month beginning after the statewide starting date for the W-2 program.

Prepared by: Rob Reinhardt

MO# AA 2

1 BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	(N)	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
2 JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	(N)	A

AYE 19 NO 2 ABS

To: Joint Committee on Finance  
From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

**Public Assistance: Drug-Related Convictions and Drug Testing (Workforce Development -- Economic Support and Child Care)**

[LFB Summary: Page 695, #17]

## CURRENT LAW

No provision.

## GOVERNOR

Modify eligibility for the food stamp and Wisconsin Works (W-2) programs to include provisions relating to convictions for drug-related offenses as follows.

*Food Stamps.* Specify that an individual would be ineligible for food stamp benefits for at least 12 months from the date the person first applies for benefits if the person has been convicted after August 22, 1996, of a felony that included the possession, use or distribution of a controlled substance. Require food stamp applicants and recipients to state in writing whether they or any member of their household has been convicted of a drug-related felony. Further, require the Department of Workforce Development (DWD) to disregard the needs of the convicted individual in determining a household's eligibility for the food stamp program, but require that the income and resources of the individual be considered available to the household. Provide that an individual could regain eligibility for food stamps only if the individual submits to a drug test at least 12 months after the date the individual was first determined to be ineligible based on a drug-related conviction, and the test results are negative.

*W-2 Program.* Require individuals applying for a W-2 employment position or job access loan to state in writing whether they have been convicted of a felony that has as an element possession, use or distribution of a controlled substance.

Specify that a W-2 agency must require a participant in a community service job (CSJ) or transitional placement who was convicted after August 22, 1996, of a felony that included the possession, use or distribution of a controlled substance, to submit to a drug test as a condition of continued eligibility. If the test results are positive, require the W-2 agency to decrease the participant's pre-sanction benefit amount by up to 15% for at least 12 months, or for the remainder of the participation period if less than 12 months. Allow the full benefit amount to be restored if, at the end of 12 months, the individual is still a participant in a CSJ or transitional placement, the individual submits to another drug test and the test results are negative.

Authorize the W-2 agency to require an individual who tests positive for use of a controlled substance to participate in a drug abuse evaluation, assessment and treatment program as part of the required work hours and activities in a community service job or transitional placement.

## **DISCUSSION POINTS**

1. Under the 1996 federal welfare reform legislation, individuals who have been convicted of drug-related felonies after August 22, 1996, are ineligible for assistance under the food stamp program and under any state program funded with the temporary assistance to needy families (TANF) block grant. If a person has been convicted of such an offense, the family's TANF benefit must be reduced by the amount that would otherwise be available to the person who has been convicted. The household's food stamp benefit must be determined by considering the ineligible individual not to be a member of the household, except that the income and resources of the individual must be considered available to the household.

Federal law allows states to limit the period of ineligibility under this provision. In addition, federal law provides states with the option to exempt any or all individuals in the state from this requirement. If a state wishes to limit the period of ineligibility or exempt any or all individuals from this provision, it must do so by enacting a specific state law after August 22, 1996. If a state does not exempt individuals from this provision, the state must require individuals applying for assistance or benefits to state, in writing, if they or any member of their household has been convicted of a drug-related felony. The federal law does not require the drug testing of individuals.

Federal law also specifies that this provision may not be construed to deny the following federal benefits: (a) emergency medical expenses under the MA program; (b) short-term, noncash, in-kind emergency disaster relief; (c) public health assistance for immunizations or testing and

treatment of communicable diseases; (d) prenatal care; (e) job training programs; and (f) drug treatment programs.

2. Under current state law, participants in CSJs will receive a monthly grant of \$555 and transitional placements will receive a monthly grant of \$518. The maximum 15% penalty for individuals who have been convicted of a drug-related offense would be \$83 per month for CSJs and \$78 per month for transitional placements. The W-2 agency could impose a lesser penalty.

Under SB 77, the monthly cash grant would be increased to \$673 for CSJs and to \$618 for transitional placements. With these higher grants, the maximum 15% penalty for these participants would increase to \$101 and \$93, respectively.

3. Although not specified in the Governor's recommendation, the administration indicates that costs related to drug testing of recipients would be paid for out of the administrative funds for W-2 agencies. However, the administration did not identify a specific funding amount for costs related to drug testing. Because the testing would only be required for individuals who have felony drug-related convictions that occurred after August 22, 1996, it is likely that the cost of conducting the tests would not be significant in the 1997-98 biennium.

4. The Governor's proposal would provide differing treatment for persons convicted of drug-related felonies under the food stamp and W-2 programs. Convicted individuals would lose eligibility for food stamps for at least 12 months and could regain eligibility only by passing a drug test after the 12-month period has elapsed. In contrast, under W-2, a conviction would not automatically result in a benefit reduction. Instead, the individual could remain eligible for full benefits as long as he or she submitted to and passed periodic drug tests. The approach proposed for W-2 would focus more on the participant's current behavior than on a previous conviction.

5. One option that the Committee could consider would be to provide similar treatment under the food stamp program as is recommended for W-2. Under this alternative, a drug-related conviction would not automatically result in ineligibility for food stamps. Instead, eligibility would be maintained as long as the individual submitted to and passed periodic drug tests. If a recipient fails a drug test, he or she would be ineligible for food stamps for at least 12 months. It can be argued that the treatment of these two programs should be consistent, especially since nearly all participants in W-2 employment positions would also qualify for food stamps. A disadvantage of this alternative is that W-2 agencies and county departments could incur additional costs for conducting drug tests of food stamp recipients who are not W-2 participants.

6. Over time, the Governor's recommendation could result in persons being ineligible for food stamps or subject to drug testing under W-2 on the basis of convictions that occurred several years before the individual applied for assistance. This results because the provision is

based on convictions that occur after August 22, 1996, rather than on convictions that occur within some specified period before the individual applies for assistance.

As noted, the August 22, 1996, date is a general requirement of federal law. However, it appears that the federal statute allows states flexibility in determining how these provisions will be applied. Therefore, the Committee could modify the Governor's proposal to specify that ineligibility or required drug testing would be based on convictions that occur within some period of time before an individual applies for assistance rather than on convictions that occur after August 22, 1996.

7. A number of other options are available to the Committee under federal law. For example, state law could be modified to specify that the federal requirement will not apply in Wisconsin. Another alternative would be to apply the federal provision to the food stamp program but not to the W-2 program, or vice versa. Finally, the drug testing provisions could be eliminated and state law could require ineligibility for a specified period of time after the date the person is determined ineligible, such as six months, one year or some other time period. It should be noted that establishing a specific period of ineligibility under the W-2 program would create a more severe penalty than the provision recommended by the Governor.

## **ALTERNATIVES TO BILL**

The first set of alternatives deal with the issue of what ineligibility and drug testing provisions (if any) should apply to individuals who have been convicted of drug-related felony offenses. The second set of alternatives deal with whether the ineligibility and drug testing provisions should be based on any drug-related conviction that occurs after August 22, 1996, or on convictions that occur within a certain period of time before an individual applies for assistance.

### **A. Ineligibility and Drug Testing**

1. Approve the Governor's recommendation to establish penalties under the food stamp and W-2 programs for individuals who have been convicted of drug-related felonies.

2. Adopt the Governor's recommendation regarding W-2 participants. Modify the Governor's recommendation regarding food stamps to require applicants to state in writing whether they or any member of their household has been convicted of a felony that has as an element possession, use or distribution of a controlled substance. Specify that DWD must require a recipient who was convicted of a drug-related felony to submit to a drug test as a condition of continued eligibility for food stamps. If the test results are positive, require DWD to disregard the needs of the convicted individual in determining a household's eligibility for the food stamp program, but require that the income and resources of the individual be considered available to

the household. Provide that an individual who fails a drug test could regain eligibility for food stamps only if the individual submits to a subsequent drug test at least 12 months after the date the individual was first determined to be ineligible, and the test results are negative.

This option would provide similar treatment under the food stamp and W-2 programs for individuals convicted of drug-related offenses.

3. Instead of the Governor's recommendation, provide that an individual would be ineligible for food stamp benefits for a specified period of time if the person has been convicted of a felony that included the possession, use or distribution of a controlled substance. Require food stamp applicants and recipients to state in writing whether they or any member of their household has been convicted of a drug-related felony. Further, require DWD to disregard the needs of the convicted individual in determining a household's eligibility for the food stamp program, but require that the income and resources of the individual be considered available to the household.

Require individuals applying for a W-2 employment position or job access loan to state in writing whether they have been convicted of a felony that has as an element possession, use or distribution of a controlled substance. If a person has been convicted of a drug-related felony, require the W-2 agency to decrease the participant's pre-sanction benefit amount by up to 15% for a specified period of time, or for the remainder of the participation period if less than the specified period.

Set the specified period of ineligibility at one of the following:

- a. Up to six months;
- b. Up to twelve months;
- c. Up to eighteen months;
- d. Up to six months for a first conviction occurring after August 22, 1996; up to twelve months for a second conviction; permanently for a third or subsequent conviction; or
- e. Some other period of time.

4. Specify in the statutes that the federal provisions relating to ineligibility due to drug-related convictions would not apply in Wisconsin for the food stamp program or the W-2 program.

5. Adopt one of the penalty provisions outlined above for either the food stamp program or W-2 program. Specify in the statutes that the federal provisions relating to ineligibility due to drug-related convictions would not apply in Wisconsin for the other program.

**B. Applicability of Ineligibility and Drug Testing Provisions**

1. Adopt the Governor's recommendation that the ineligibility and drug testing provisions for food stamps and W-2 employment positions would apply if an individual has been convicted of a drug-related felony after August 22, 1996.

2. Modify the Governor's provision to specify that the ineligibility and drug testing provisions would apply if an individual has been convicted of a drug-related felony within five years prior to applying for food stamps or a W-2 employment position, but not before August 22, 1996.

3. Modify the Governor's provision to specify that the ineligibility and drug testing provisions would apply if an individual has been convicted of a drug-related felony within some other period of time prior to applying for food stamps or a W-2 employment position, but not before August 22, 1996.

Prepared by: Rob Reinhardt

MO# A1 + 2A + 2B

BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
GEORGE	<input type="radio"/>	<input checked="" type="radio"/>	A
JAUCH	<input checked="" type="radio"/>	<input type="radio"/>	A
WINEKE	<input type="radio"/>	<input checked="" type="radio"/>	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
COWLES	<input checked="" type="radio"/>	N	A
PANZER	<input checked="" type="radio"/>	N	A
2 JENSEN	<input checked="" type="radio"/>	N	A
OURADA	<input checked="" type="radio"/>	N	A
HARSDORF	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
1 GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	<input checked="" type="radio"/>	N	A
COGGS	<input type="radio"/>	<input checked="" type="radio"/>	A

AYE 13 NO 3 ABS \_\_\_\_\_

MO# \_\_\_\_\_

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE \_\_\_\_\_ NO \_\_\_\_\_ ABS \_\_\_\_\_

To: Joint Committee on Finance  
From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### **Food Stamp Sanctions (Workforce Development -- Economic Support and Child Care)**

[LFB Summary: Page 699, #25f]

## CURRENT LAW

### **State Law**

Under current state law, the Department of Workforce Development (DWD) must administer a food stamp employment and training (FSET) program for certain food stamp recipients. Under a waiver from the federal government, the Department is permitted to distribute food stamps to recipients who are not participants in a W-2 employment position on a pay-for-performance basis. Under the pay-for-performance provisions, the amount of food stamp benefits paid in a month would be based on participation in the FSET program, as follows:

1. The recipient's total number of hours of actual participation in the prior month (including hours of nonparticipation for good cause) would be subtracted from the total number of hours of required participation in the prior month.
2. The number of hours determined above would be multiplied by the federal hourly minimum wage.
3. The dollar amount determined under (2) would be subtracted from the amount of food stamp benefits that the recipient's family would have received if the recipient had participated for the total number of assigned hours.

The maximum number of hours that an individual may be required to work may not exceed 40 hours per week.

## **Federal Law**

Under the 1996 federal welfare reform legislation (P.L. 104-193), specific sanctions are provided for individuals who fail to participate in the FSET program. The first time that an individual fails to comply with the program, the individual is ineligible for food stamps until the later of: (a) the date the individual begins to participate in the program; (b) one month after the date the individual became ineligible; or (c) a date determined by the state agency administering the program (DWD), but no later than three months after the date the individual became ineligible.

The second time that an individual fails to comply, the individual is ineligible until the later of: (a) the date the individual begins to participate; (b) three months after the date the individual becomes ineligible; or (c) a date determined by the state agency, but no later than six months after the date the individual became ineligible.

For the third or subsequent failure to comply, the individual is ineligible until the later of: (a) the date the individual begins to participate; (b) six months after the date the individual became ineligible; (c) a date determined by the state agency; or (d) at the option of the state agency, permanently.

## **GOVERNOR**

Specify that the pay-for-performance sanction for noncompliance with the FSET program would be \$4.25 per hour rather than the federal minimum wage.

Provide that an individual who fails to comply with the requirements of the FSET program without good cause is ineligible to participate in the food stamp program for one month for the first violation, three months for the second violation, and six months for the third and subsequent violations.

## **DISCUSSION POINTS**

### **Pay-for-Performance Provisions**

1. Under SB 77, if an individual fails to comply with the requirements of the FSET program, the Department would be allowed to both decrease the household's benefit amount under pay-for-performance criteria and remove the person from participation in the food stamp

program. This would permit DWD to impose a double sanction. The Department has indicated that it does not intend to impose a double sanction for nonparticipation, and that it will not implement the pay-for-performance provisions. Therefore, these provisions could be eliminated.

2. In the waiver request that was approved for the food stamp pay-for-performance provisions, the Department indicated that the hourly sanction would be \$4.25, which was the federal minimum wage at the time the request was submitted. However, under present state law, the sanction is based on the federal minimum wage, which is currently \$4.75 per hour and will increase to \$5.15 per hour on September 1, 1997. In order to correspond to the federal waiver, the Governor's recommendation would modify the statutes to specify that the hourly sanction would be \$4.25 rather than the federal minimum wage. Therefore, if the pay-for-performance provisions are retained, the Committee may wish to adopt the Governor's recommendation regarding the sanction amount.

### **New Food Stamp Sanctions**

3. The new food stamp sanctions recommended by the Governor are not entirely consistent with federal law. Federal law provides that an individual who fails to comply with the FSET program is ineligible for food stamps for a specific period of time (depending on how many violations the individual has had) or until the individual participates, whichever is later. The Governor's proposal would require ineligibility for specific periods of time, but would not specify that ineligibility would continue until the individual complies with the FSET requirements.

4. Despite this difference, the Department indicates that, in practice, the food stamp sanctions would be implemented in accordance with federal law. Therefore, in order to clarify this provision, the Committee could modify the Governor's recommendation to provide that an individual who fails to comply with the work requirements of the FSET program would be ineligible to participate in the food stamp program for the later of: (a) one month or until the person complies with the requirements for the first violation; (b) three months or until the person complies with the work requirements for the second violation; and (c) six months or until the person complies with the work requirements for the third and subsequent violations.

5. Food stamp benefits are funded entirely with federal funds. Therefore, provisions relating to sanctions for failure to comply with the FSET program work requirements would have no state fiscal effect.

**ALTERNATIVES TO BILL**

**A. Pay-for-Performance Provisions**

1. Adopt the Governor's recommendation to limit the sanction for noncompliance with the FSET work requirement to \$4.25 per hour of work missed.
2. Eliminate the food stamp pay-for-performance provisions.

**B. New Food Stamp Sanctions**

1. Adopt the Governor's recommendation to provide that an individual who fails to comply with the FSET work requirements without good cause would be ineligible to participate in the food stamp program for one month for the first violation, three months for the second violation, and six months for the third and subsequent violations.
2. Provide that an individual who fails to comply with the FSET work requirements without good cause would be ineligible to participate in the food stamp program for the later of: (a) one month or until the person complies with the requirements for the first violation; (b) three months or until the person complies with the work requirements for the second violation; and (c) six months or until the person complies with the work requirements for the third and subsequent violations.

Prepared by: Joanne Simpson

MO# Alt A2, B2

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 14 NO 2 ABS \_\_\_\_\_

MO# \_\_\_\_\_

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE \_\_\_\_\_ NO \_\_\_\_\_ ABS \_\_\_\_\_

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

### **Release of Information Regarding Food Stamp Recipients (Workforce Development -- Economic Support and Child Care)**

[LFB Summary: Page 703, #28d]

## CURRENT LAW

The 1996 federal welfare reform legislation (P.L. 104-193) requires that a state agency release the address, social security number and, if available, photograph of any member of a household receiving food stamp benefits to a law enforcement officer if the officer furnishes the agency with the name of the member and notifies the agency that: (a) the member is a fugitive felon, is violating a condition of probation or parole or has related information necessary for the officer to conduct an official duty; (b) locating or apprehending the member is an official duty; and (c) the request is being made in the proper exercise of an official duty.

## GOVERNOR

Authorize county departments and Wisconsin Works (W-2) agencies to release the current address of food stamp recipients to a law enforcement officer if the officer provides, in writing, the name of the recipient and the officer satisfactorily demonstrates, in writing, that the recipient is a fugitive felon, is violating a condition of probation, parole or community supervision imposed under state or federal law or has information that is necessary for the officer to conduct official duties.

## DISCUSSION POINTS

1. Under federal law, only state agencies, their counterpart local agencies or tribal organizations may administer the food stamp program. Therefore, W-2 agencies that are not county departments or tribal organizations are not considered state agencies and may not administer food stamps. The Department of Workforce Development (DWD) has requested a waiver from the federal government to allow all W-2 agencies to certify eligibility for and issue food coupons certain food stamp recipients. To date, this waiver request has not been approved. A technical modification could clarify that the release of information to law enforcement officers may be required of W-2 agencies only if the agency is administering food stamps.

2. The Governor's recommendation differs from the federal provisions regarding the release of information about food stamp recipients in several other respects:

- Federal law specifically requires that the agency release the address, social security number and, if available, photograph of a food stamp recipient. The Governor's proposal would authorize, but not require, only the release of the address. Release of the social security number and photograph would not be authorized.

- Under the Governor's recommendation, law enforcement officers would have to provide in writing the name of the recipient and the reason for the release of the information. However, federal law does not require written notification.

- Federal law specifies that the information must be released if locating or apprehending the member is an official duty and the request is being made in the proper exercise of an official duty. The Governor's recommendation does not include these specific provisions.

3. The Committee could modify the Governor's recommendation to more closely correspond to federal law. However, the provision of federal law requiring the agency to provide a photograph of food stamp recipients could be excluded from state law because, under a federal waiver, food stamp agencies in Wisconsin are not required to obtain a photograph of food stamp recipients. Incorporating the federal language with regard to the release of a photograph could lead to an expectation on the part of law enforcement officers that the counties and W-2 agencies have obtained photographs of recipients.

4. Most provisions regarding the food stamp program are enumerated under federal law, rather than in the state statutes. Another option the Committee could consider would be to delete the Governor's recommendation. Under this alternative, counties and W-2 agencies would be required to comply with the federal provisions outlined above. An advantage to this approach is that, if federal law is subsequently changed, state law would not need modification.

**ALTERNATIVES TO BILL**

1. Approve the Governor's recommendation to authorize county departments and W-2 agencies to release the current address of food stamp recipients to law enforcement officers.
2. Approve the Governor's recommendation with one or more of the following modifications that correspond to federal law:
  - a. Require that counties and W-2 agencies, if administering food stamps, release the address and social security number of any member of a household receiving food stamp benefits.
  - b. Eliminate the provision that the law enforcement officer provide in writing the name of the participant and the reason for obtaining information about the participant.
  - c. Specify that information about a member of a household receiving food stamp benefits be released under the conditions that: (a) the member is a fugitive felon, is violating a condition of probation or parole or has related information necessary for the officer to conduct an official duty; (b) locating or apprehending the member is an official duty; and (c) the request is being made in the proper exercise of an official duty.
3. Delete the Governor's recommendation. Under this option, state law would contain no provisions relating to the release of information about food stamp recipients, and food stamp agencies would be required to comply with the federal provisions.

MO# A141

Prepared by: Joanne Simpson

BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
GEORGE	Y	<input checked="" type="radio"/>	A
JAUCH	<input checked="" type="radio"/>	N	A
WINEKE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
COWLES	<input checked="" type="radio"/>	N	A
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2 JENSEN	<input checked="" type="radio"/>	N	A
1 OURADA	<input checked="" type="radio"/>	N	A
HARSDORF	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
LINTON	Y	<input checked="" type="radio"/>	A
COGGS	Y	<input checked="" type="radio"/>	A

AYE 13 NO 3 ABS \_\_\_\_\_

To: Joint Committee on Finance

From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

**Food Stamp Waiver (Workforce Development -- Economic Support and Child Care)**

## CURRENT LAW

No provision.

## GOVERNOR

No provision.

## DISCUSSION POINTS

1. The 1996 federal welfare reform legislation (P.L. 104-193) established a work requirement for childless, able-bodied adults under the food stamp program. However, states may request exemptions from this provision in areas of the state with unemployment greater than 10% or with an insufficient number of jobs. Federal guidelines indicate that evidence to support a waiver request based on either of these criteria can be presented in several ways. States have flexibility in identifying geographic areas to which the criteria apply, and may identify geographic areas within a county or city. Furthermore, states may use a variety of data to support the exemption request, such as labor surplus area classifications or increased filing of unemployment insurance claims. The federal legislation and guidelines for requesting an exemption are described in the Appendix.

2. Several states throughout the U.S. have submitted requests for waivers from the federal requirements for able-bodied adults. A number of legislators have expressed interest in

having the Department of Workforce Development (DWD) request these exemptions for Wisconsin residents.

3. It is estimated that approximately 6,850 adult food stamp recipients in Wisconsin would be subject to the new federal work requirements. A number of data sources indicate that some areas of Wisconsin may qualify for an exemption.

As of January, 1997, the following counties in Wisconsin were designated as eligible labor surplus areas: Ashland, Bayfield, Clark, Door, Forest, Iron, Marquette, Menominee, Rusk and Washburn. In addition, the City of Racine was designated as a labor surplus area.

Based on BLS data, Florence and Rusk counties, and some portions of Douglas county had unemployment rates in excess of 10% for the three-month period from January to March, 1997.

5. The Department has indicated that it has reviewed specific unemployment rates by zip code, in particular for certain areas within the City of Milwaukee and for rural areas of Wisconsin. Using this methodology, the Department has estimated that some areas within the state do have unemployment rates greater than 10%. However, the Department does not intend to seek waivers from the food stamp requirements for the following reasons.

- The population subject to the federal requirements consists of childless adults. Under W-2, the state is requiring single parents with children to work. Childless adults may be considered more mobile than those with children, and may be able to locate in an area where jobs are available. Because the state is requiring those with children to work, those without children should not be exempt from complying with a work requirement.

- A person would be in compliance with federal law if they participate in work experience programs for 20 hours per week. This can be a combination of job search and work or work training. The Department believes there is currently ample opportunity for individuals to participate in these types of programs.

6. Food stamp benefits are fully funded with federal dollars. Therefore, an exemption from the work requirement would have no effect on Wisconsin's state budget.

## **ALTERNATIVES TO BILL**

1. Adopt statutory provisions requiring DWD to seek waivers from the food stamp employment requirements for able-bodied childless adults for those areas of the state (including geographic areas within the City of Milwaukee and other municipalities) that have unemployment greater than 10%, that have been designated as labor surplus areas by the federal government or otherwise have an insufficient number of jobs. Also, direct the Department to seek studies that

would indicate that there is an insufficient number of jobs in portions of the state, and submit requests to exempt individuals in those areas from the work participation requirement.

2. Direct DWD to seek waivers from the work requirements for able-bodied adult food stamp recipients as described in Alternative 1. This option would express the Committee's intent that the Department request exemptions from the federal provisions, but would not create a statutory requirement.

3. Maintain current law.

Prepared by: Joanne Simpson

MO# 171

BURKE	Y		
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 8 NO 8 ABS   

MO# 172

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 7 NO 9 ABS 0

## APPENDIX

### Summary of Federal Guidelines for Seeking Waivers for Food Stamp Limits

Under the federal welfare reform legislation, no individual is eligible to participate in the food stamp program if, during the preceding 36-month period, the individual received food stamp benefits for at least three months during which the individual did not: (a) work 20 hours or more per week, averaged monthly; (b) participate in and comply with the requirements of a work program for 20 hours or more per week, as determined by the state agency which administers food stamps; or (c) participate in and comply with the requirements of a workfare program established by a state or political subdivision.

"Work program" means: (a) a program under the Job Training and Partnership Act or the Trade Adjustment Assistance Act; or (b) an employment and training program (not including job search activities) operated or supervised by a state or political subdivision that meets standards approved by the Governor, including the food stamp employment and training program.

#### Subsequent Eligibility

An individual denied eligibility under these provisions may regain eligibility if, during a 30-day period, the individual: (a) works 80 or more hours; (b) participates in and complies with the requirements of a work program for 80 or more hours, as determined by the state agency; or (c) participates in and complies with the requirements of a workfare program established by a state or political subdivision.

An individual who regains eligibility remains eligible as long as he or she satisfies the work requirement. If the individual subsequently fails to comply with the work requirement, he or she may remain eligible for a consecutive three-month period, but only on one occasion in any 36-month period.

#### Exemptions

Individuals are exempt from the work requirement if they are: (a) under 18 or over 50 years of age; (b) medically certified as physically or mentally unfit for employment; (c) parents or other household members with responsibility for a dependent child; (d) pregnant; or (e) otherwise exempt from any food stamp work registration requirement, which includes individuals responsible for the care of an incapacitated person, enrolled in postsecondary education and meeting similar work requirements, participating in a drug or alcohol treatment and rehabilitation program, or complying with unemployment compensation requirements. Individuals who are not exempt from the work requirements are considered "able-bodied".

## Waivers

In addition to the above exemptions, at the request of the state agency that administers food stamps [the Department of Workforce Development (DWD) in Wisconsin], the Secretary of the U.S. Department Agriculture (USDA) may waive the work requirements for any group of individuals in the state if the Secretary determines that the area in which the individuals reside: (a) has an unemployment rate of over 10 percent; or (b) does not have a sufficient number of jobs to provide employment for the individuals. Such waiver requests must be submitted by the state agency responsible for administering food stamps; USDA indicates that it will not approve waiver requests submitted by other government agencies or political subdivisions.

Although the federal legislation does not provide a definition for "the area in which the individuals reside", the USDA has issued guidelines to states on the definition of an area, the duration of the waiver, and documentation and data needed to support the two types of waiver requests. The following sections are based on the USDA guidelines.

**Defining an Area.** USDA indicates that it will give states broad discretion in defining areas that best reflect the labor market prospects of program participants and state administrative needs. In general, states should submit waiver requests for geographic areas smaller than the entire state. States are allowed to request waivers for combinations of counties, cities and towns, or for smaller geographic areas within a county, city or town. States should also consider the needs of rural areas and Indian reservations.

In addition, a state may submit a waiver request that covers specific categories of individuals for whom there are insufficient jobs in an area. The USDA guidelines indicate that waiver requests will be considered for insufficient jobs for a group of individuals that have been displaced due to the loss or decline of a dominant industry.

**Duration of Waivers.** In general, it is USDA's intent to grant waivers for a maximum of one year. If the condition upon which the initial waiver was approved persists, the waivers may be renewed. In some circumstances, or at the state's request, waivers may be granted for less than one year.

**Waivers for Unemployment Rates Above 10 Percent.** USDA will allow states to self-certify areas that have an unemployment rate higher than 10 percent. Guidelines from USDA indicate that state welfare agencies should work with state employment security agencies to make this determination. States must inform their USDA Food and Consumer Regional Office and Headquarters of each area that meets this criterion and certify that the determination was based on standard Bureau of Labor Statistics (BLS) data or methods. States may update these certifications as frequently as necessary. The waiver period will begin as soon as a state certifies that an area's unemployment rate is above 10 percent. USDA will contact states if additional clarification on the waiver is needed.

USDA will automatically grant a waiver for any area in which the average unemployment rate in the preceding 12 months is greater than 10 percent. However, a state may opt to use a shorter moving average. A moving average of at least three months is preferred.

In areas with predictable seasonal variations in unemployment, states may use historical trends to demonstrate seasonality and obtain waivers for periods shorter than one year. The period of the waiver will coincide with the period of high unemployment. However, a state also may use historical unemployment trends to show that a rise in unemployment is not part of a predictable seasonal pattern in order to support a waiver request of up to one year.

**Waivers for Areas Without Sufficient Jobs.** Waivers granted under this category may not be implemented until they are approved by USDA. As indicated below, a number of criteria may be used to demonstrate insufficient jobs. USDA's decision will be based on the current unemployment rate for the area, the type of waiver requested and sufficient evidence to support granting of the waiver. The USDA guidelines include the following examples of data that may be used to support a claim of insufficient jobs:

*Lack of Jobs in Designated Labor Surplus Areas.* Information about labor surplus areas as classified by the U.S. Department of Labor is provided in the publication, "Area Trends in Employment and Unemployment." Labor surplus areas are classified on the basis of civil jurisdictions rather than on a metropolitan area or labor market area basis. Civil jurisdictions are defined as all cities with a population of at least 25,000 and all counties. Generally, a civil jurisdiction is classified as a labor surplus area when its average unemployment rate is at least 20 percent above the average unemployment rate for all states during the previous two calendar years.

The labor surplus listing is issued for each federal fiscal year. The listing becomes effective each October 1 and remains in effect through the following September 30. The reference period used in preparing the current list was January, 1994, through December, 1995. The national average unemployment rate during this period was 5.9 percent. The qualifying unemployment rate for designation as a labor surplus area is, therefore, 7.1 percent.

*Lack of Jobs in Declining Occupations or Industries.* A state may submit a waiver request that covers specific categories of individuals for whom there are insufficient jobs in an area. BLS provides monthly data on state and local employment by major industry. A declining trend within a particular industry or sector may be used to document a claim of insufficient jobs under this category. Increased filing of unemployment insurance claims may also be an indicator of declining occupations or industries. Any waiver request for declining industries will be evaluated on a case by case basis.

*Other Criteria.* Other data that will be considered by USDA in granting a waiver request based on insufficient jobs include: (a) lack of jobs in the state as shown by the state being designated eligible for extended unemployment insurance benefits by the U.S. Department of

Labor; and (b) lack of jobs due to lagging job growth as shown by a declining ratio of the number of employed persons in an area to the area's total working age population.

It should be noted that claims of insufficient jobs based upon other reliable data and methods also will be considered by USDA. For example, USDA has indicated that they have granted a waiver for Chicago that was based on a number of independent studies that showed a lack of jobs in the city.

To: Joint Committee on Finance  
From: Bob Lang, Director  
Legislative Fiscal Bureau

## ISSUE

**Minor Policy and Technical Changes -- Food Stamp and MA Administration by W-2 Agencies (Workforce Development -- Economic Support and Child Support)**

## GOVERNOR

Under current state law, Wisconsin Works (W-2) agencies are required to certify eligibility for and issue food stamps to, eligible W-2 participants, in conformity with federal law. In addition, the Governor's recommendation would authorize the Department of Health and Family Services to delegate responsibility for determining eligibility of persons for medical assistance (MA) to a W-2 agency.

## MODIFICATION

Specify that W-2 agencies may certify eligibility for and issue food coupons to, W-2 participants and determine eligibility of persons for MA, only to the extent permitted by federal law or waiver.

**Explanation:** Not all W-2 agencies will be county departments. Some will be private agencies contracting with the state. However, federal law does not allow entities that are not state agencies or counterpart local agencies to administer the food stamp program or make MA eligibility determinations. Therefore, some W-2 agencies would not be authorized to perform these functions.

The Department of Workforce Development has requested a federal waiver to allow all W-2 agencies to administer the food stamp program, but to date this waiver has not been approved. No waiver has been requested to allow W-2 agencies to determine eligibility for MA.

Prepared by: Joanne Simpson

MO# modification

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A

JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 14 NO 2 ABS 0

WORKFORCE DEVELOPMENT

Postsecondary Education for CSJs

Motion:

Move to provide that, to the extent permitted by federal law, a participant in a community service job (CSJ) under the Wisconsin Works (W-2) program may be allowed to participate in a full-time postsecondary education program in lieu of a W-2 employment position if the W-2 agency determines that the education program is likely to lead to employment, the participant maintains full-time status and regularly attends all classes, and maintains a grade point average of at least a 2.0 or the equivalent. If an individual fails to attend class without good cause, the grant will be reduced by the same amount as if the individual failed to participate in required work activities.

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Note:

Under the W-2 program, a participant in a community service job may be required to participate in work activities for up to 30 hours per week and in educational and training activities for up to 10 hours per week. Under this motion, a CSJ participant would be allowed to participate in full-time postsecondary education in place of this work requirement, to the extent permitted by federal law.

Under current law, if a CSJ participant fails to meet required work or education activities without good cause, the grant would be reduced by \$4.25 per hour. Under the Governor's recommendation, this reduction would be \$5.15 per hour. This motion would provide that if an individual fails to participate in the postsecondary education activities without good cause, the grant would be reduced by the same amount as for other CSJ participants.

Allowing a recipient to engage in postsecondary education activities may result in the recipient moving into an unsubsidized employment position more quickly. Additional education may also prevent individuals from returning to the W-2 program. These impacts would result in cost savings. However, if some individuals remain in a CSJ position longer than they otherwise would in order to complete their education, added costs would result.

MO# 3284

BURKE	<input checked="" type="checkbox"/>	N	A
DECKER	<input checked="" type="checkbox"/>	N	A
GEORGE	<input checked="" type="checkbox"/>	N	A
2 JAUCH	<input checked="" type="checkbox"/>	N	A
WINEKE	<input checked="" type="checkbox"/>	N	A
SHIBILSKI	<input checked="" type="checkbox"/>	N	A
COWLES	Y	<input checked="" type="checkbox"/>	A
PANZER	Y	<input checked="" type="checkbox"/>	A
JENSEN	Y	<input checked="" type="checkbox"/>	A
OURADA	Y	<input checked="" type="checkbox"/>	A
HARSDORF	Y	<input checked="" type="checkbox"/>	A
ALBERS	Y	<input checked="" type="checkbox"/>	A
GARD	Y	<input checked="" type="checkbox"/>	A
KAUFERT	Y	<input checked="" type="checkbox"/>	A
LINTON	<input checked="" type="checkbox"/>	N	A
COGGS	<input checked="" type="checkbox"/>	N	A
AYE	<u>7</u>	NO	<u>8</u> ABS <u>1</u>

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Postsecondary Education for CSJs

Motion:

Move to provide that to the extent permitted by federal law, the work activities for participants in community service jobs (CSJs) under the Wisconsin Works (W-2) program may include participation in postsecondary education. Provide that the individual may participate in postsecondary educational activities for up to 20 hours per week assigned as part of an employability plan developed by the W-2 agency if the individual participates in work activities for a minimum of 20 hours per week, which may include work-related training required as part of an educational course. The maximum participation in combined work and education as part of the CSJ employment position would be 40 hours per week. The individual would be allowed to continue participating in postsecondary education as long as she or he was making satisfactory progress in educational activities. Postsecondary education would be limited to two years for any individual. In addition, add postsecondary education to the allowable activities for which an individual may receive an additional child care subsidy. Postsecondary education would include courses at an institution within the University of Wisconsin System, an institution within the Wisconsin Technical College System, a private, nonprofit institution of higher education located in the state, or a school approved by the Educational Approval Board.

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Note:

Under current law, a W-2 agency may require participants in CSJs to participate in work activities for up to 30 hours per week and in educational and training activities for up to 10 hours per week. Under this motion, a CSJ participant who is working at least 20 hours per week may be allowed to participate in postsecondary educational activities for up to 20 hours per week, for a combined total of work and education activities of up to 40 hours per week. In addition, this motion would provide that work-related training required as part of an educational course may be an allowable work activity for CSJ participants.

Under current law, participants in W-2 employment positions and unsubsidized employment will be eligible to receive subsidized child care services for up to 40 hours per week while they are engaged in the activities under their W-2 employment position, including educational and training activities. Participants may also receive additional subsidized child care services for up to one year for participation in other employment skills training including English as a second

language course, a course of study to obtain a GED, or other vocational or educational courses. Under this motion, postsecondary educational activities would be added to the allowable training activities for which an individual may receive this additional child care assistance.

Allowing a recipient to engage in postsecondary education activities may result in the recipient moving into an unsubsidized employment position more quickly. Additional education may also prevent individuals from returning to the W-2 program. These impacts would result in cost savings. However, if some individuals remain in a CSJ position longer than they otherwise would in order to complete their education, added costs would result.

It is estimated that CSJ participants would continue to need child care services for participation in work and education for up to 40 hours per week, as under current law. However, under this motion, the additional child care subsidy described above would be expanded to include educational activities not allowed under current law. It is estimated that this change could cost \$1,500,000 in each year.

[Change to Base: \$3,000,000]

[Change to Bill: \$3,000,000]

MO# 3285

1	BURKE	<input checked="" type="radio"/>	N	A
2	DECKER	<input checked="" type="radio"/>	N	A
	GEORGE	<input checked="" type="radio"/>	N	A
	JAUCH	<input checked="" type="radio"/>	N	A
	WINEKE	<input checked="" type="radio"/>	N	A
	SHIBILSKI	<input checked="" type="radio"/>	N	A
	COWLES	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	PANZER	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	JENSEN	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	OURADA	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	HARSDORF	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	ALBERS	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	GARD	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	KAUFERT	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	LINTON	<input checked="" type="radio"/>	N	A
	COGGS	<input checked="" type="radio"/>	N	A

AYE 8 NO 8 ABS 0

~~DEPT. OF COMMERCE~~  
WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Minority Business Development and Training Program

Motion:

Move to transfer authority to administer the minority business development and training program under s. 66.905 of the statutes from the Milwaukee Metropolitan Sewerage District to the ~~Department of Workforce Development.~~

*Dept. of Commerce*

Note:

The minority business development and training program is administered by the Milwaukee Metropolitan Sewerage District and provides training to minority individuals and contractors that participate in district construction projects.

MO#			
<i>5101</i>			
<i>recused</i>			
BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A
AYE	<i>13</i>	NO <i>2</i>	ABS <i>0</i>

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Youth Village

Motion:

Move to provide \$500,000 in TANF block grant funding in each year for the youth village program. Provide that to be eligible for the youth village program, a family must meet the eligibility requirements for a W-2 employment position. Provide that children enrolled in the youth village program could not be absent from the home for more than 45 consecutive days. In addition, provide that the youth village program and families enrolled in the program meet any other federal requirements regarding the use of TANF funding.

Note:

Under state statutes, the youth village program is designed to provide an alternative education experience for pupils whose home or social environment seriously interferes with their educational progress and who are functioning below their grade level in basic academic skills, are behind in academic credits for their credits for their grade level or have a record of poor grades or attendance problems.

Youth enrolled in the program would live in Family Teaching Homes year-round, attend Urban Day School and participate in the Work Skills Institute.

Under federal law, funding received under the temporary assistance to needy families (TANF) program generally may not be used for families in which a child is absent from the home of the custodial parent or caretaker relative for more than 45 consecutive days. The 45-day limit may be reduced to 30 days or increased to 180 days under the state TANF plan. In addition, federal and state expenditures under the TANF program may be used only on "eligible families". The modifications to the program specified under this motion are intended to conform with federal law.

[Change to Base: \$1,000,000 FED]  
 [Change to Bill: \$1,000,000 FED]

MO#	BURKE	DECKER	GEORGE	JAUCH	WINEKE	SHIBILSKI	COWLES	PANZER	JENSEN	OURADA	HARSDORF	ALBERS	GARD	KAUFERT	LINTON	COGGS	AVE	NO	ABS
	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A		
	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N		
	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y			

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WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Pilot Program for Child Care Ombudsman Services

Motion:

Move to provide \$228,800 GPR in 1997-98 and \$234,800 GPR in 1998-99 to the Department of Workforce Development for a pilot program in Milwaukee County that would contract for ombudsmen services for consumers of licensed and certified child care services. Specify that DWD would contract with a non-profit child care organization in Milwaukee County to provide these services and require the contract to require the organization to employ at least five full-time ombudsmen so that each area covered by a separate W-2 agency would have available a full-time ombudsmen for child care recipients in that area. In addition, specify that ombudsmen services would include: (a) investigating complaints from any person concerning improper conditions or treatment of children who receive day care services or concerning noncompliance with or improper administration of state statutes or rules related to child care; and (b) serving as mediator or advocate to resolve any problem or dispute relating to day care for children.

Authorize, but not require, that the W-2 agencies provide office space in the facility that processes applications for W-2 child care so that the ombudsman can more easily furnish services to recipients of subsidized child care. Further, require all licensed day care center providers in the pilot area to post in a conspicuous location of the day care facility a notice, provided by the agency providing the ombudsmen services, of the name, address and telephone number of the child care ombudsman program. Require all licensed family day care providers and certified family day care providers in the pilot area to provide to all clients annually and to new clients a facsimile copy that is 8 1/2 inches by 11 inches, of a notice provided by the agency providing the ombudsmen services, of the name, address and telephone number of the child care ombudsman program.

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Note:

Currently, the Department of Health and Family Services is authorized 60.0 positions for the regulation of 2,305 state licensed group day care centers, 2,659 licensed family day care providers, 41 child caring institutions, 133 group foster home, 28 sheltered care facilities and 60 child placing agencies. This is a total of 5,226 child care facilities. Currently, the state does not

provide any ombudsmen services for child care services. In addition, there are approximately 4,400 certified family child care providers which are regulated by the counties.

This motion would establish a pilot ombudsmen program for child care in Milwaukee County by providing \$228,800 GPR in 1997-98 and \$234,800 GPR in 1998-99 to the Department of Workforce Development to contract for ombudsmen services from a nonprofit agency in Milwaukee County. This motion would specify that at least five full-time ombudsmen be provided to investigate complaints and resolve disputes. Licensed group day care centers would be required to post a notice of the ombudsmen program while licensed and certified family day care providers would have to provide a copy of a notice of the ombudsman program to clients annually and to new clients.

[Change to Base: \$463,600 GPR]  
 [Change to Bill: 463,600 GPR]

MO# 7021

1	BURKE	(Y)	N	A			
	DECKER	(Y)	N	A			
	GEORGE	(Y)	N	A			
	JAUCH	(Y)	N	A			
	WINEKE	(Y)	N	A			
2	SHIBILSKI	(Y)	(N)	A			
	COWLES	Y	(N)	A			
	PANZER	Y					
	JENSEN	Y	(N)	A			
	OURADA	Y	(N)	A			
	HARSDORF	Y	(N)	A			
	ALBERS	Y	(N)	A			
	GARD	Y	(N)	A			
	KAUFERT	Y	N	A			
	LINTON	(Y)	N	A			
	COGGS	(Y)	N	A			
	AYE	<u>8</u>	NO	<u>8</u>	ABS	<u>0</u>	

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Local Learnfare Projects

Motion:

Move to provide \$6,654,100 (All Funds) in 1997-98 and \$7,104,100 in 1998-99 to continue local Learnfare projects.

Note:

Under this motion, matching funds would be provided for local projects, primarily related to the Learnfare program. Matching funds had previously been paid from federal waiver savings which are no longer available under TANF provisions. The Department continued to provide a match for these projects in 1996-97, but most projects are currently scheduled to end June 30, 1997. For each project, the Department would enter into a contract with a local government to provide services.

Base funding for these projects is \$450,000. This motion would allow these projects to continue through the biennium, and would provide an additional \$6,654,100 in 1997-98 and \$7,104,100 in 1998-99.

[Change to Base: \$13,758,200 All Funds]

[Change to Bill: \$11,508,200 All Funds]

MO# 5019

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE \_\_\_\_\_ NO \_\_\_\_\_ ABS \_\_\_\_\_

**WORKFORCE DEVELOPMENT - ECONOMIC SUPPORT AND CHILD CARE**

**State Funding for Tribal TANF Programs**

**Motion:**

Move to direct the Department to develop a plan for the granting of a share of state funds to any Wisconsin Indian tribe that operates a federal TANF program. Specify that the Department would be required to develop a plan, that includes standards similar to W-2, in consultation with Wisconsin Indian tribes and submit the plan to the Joint Committee on Finance by January 1, 1998. Provide that the Department could not implement the plan without approval by the Committee.

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**Note:**

Under the 1996 federal welfare reform legislation, tribes may operate TANF programs separate from the state programs funded with the TANF block grant. For a tribe that submits an acceptable plan, the federal government will provide to the tribe an amount equal to expenditures by the state for federal fiscal year 1994 for families residing in the tribe, and the state's TANF block grant will be reduced by an equivalent amount.

The Department has indicated that an estimated four tribes in 1997-98 and five tribes in 1998-99 are expected to operate separate programs in Wisconsin as permitted under federal law. Therefore, base funding for the W-2 program from the TANF block grant funding has been reduced by \$590,200 in 1997-98 and \$1,224,500 in 1998-99 to reflect the separate tribal plans.

Under this motion, the Department would be required to develop a plan to provide a share of state funds to any Wisconsin Indian tribe that operates a separate TANF program. The plan would be developed in consultation with the Wisconsin Indian tribes and would include standards similar to W-2. The Department must submit the plan to the Joint Finance Committee by January 1, 1998, and may not implement the plan without Committee approval.

MO# 6052

BURKE	Y	N	A
DECKER	Y	N	A
2 GEORGE	Y	N	A
1 JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 16 NO 0 ABS 2

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

No Work Requirement for Parents of Disabled Children

Motion:

Specify that a W-2 agency must suspend the work and education requirements for W-2 transitional placements who are single parents of disabled children if the agency determines that the parent is needed in the home to provide full-time home care for the child.

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Note:

Under current state law, individuals in transitional placement employment positions may receive a grant of \$518 per month. Generally, a person is eligible for a transitional placement position if she or he meets the financial and non-financial eligibility requirements for the W-2 program and the individual is incapacitated, needed in the home because of the illness or incapacity of another member of the W-2 group, or otherwise incapable of performing a trial job or CSJ. In general, single parents with handicapped children would most likely be placed in a transitional placement position.

W-2 agencies may require individuals in transitional placements to participate in work activities, including counseling and treatment programs, for up to 28 hours per week and to participate in educational and training activities for up to 12 hours per week. Under this motion, single parents with disabled children would be exempt from any work or educational requirement if the agency determines that the parent is needed in the home to provide full-time home care for the child.

It is estimated that this proposal could result in cost savings because it is expected that the parent would take care of the child rather than placing the child in child care. Estimated savings would be \$8.4 million annually.

[Change to Base: -\$6,400,000 All Funds]

[Change to Bill: -\$6,400,000 All Funds]

MO# 6023

BURKE	(Y)	N	A
DECKER	(Y)	N	A
GEORGE	(Y)	N	A
JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	(Y)	N	A
PANZER	(Y)	N	A
JENSEN	(Y)	N	A
OURADA	(Y)	N	A
HARSDORF	(Y)	N	A
ALBERS	(Y)	N	A
GARD	(Y)	N	A
KAUFERT	(Y)	N	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

AYE 16 NO 0 ABS 0

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Food Stamp Benefits for Immigrants and Refugees

Motion:

Move to provide \$3,800,000 in 1997-98 and \$4,100,000 in 1998-99 and require DWD to implement a state food assistance program for legal immigrants and refugees ("qualified aliens" under federal law) who meet the eligibility requirements for the federal food stamp program, except for their status as immigrants or refugees.

Note:

Under the 1996 federal welfare reform legislation, refugees are eligible for food stamp benefits from the date of entry to the U.S. After five years, these individuals are ineligible to receive food stamp benefits until they obtain citizenship or until they accrue 40 qualifying quarters of work. In addition, current legal aliens are ineligible for food stamp benefits until citizenship. Other legal aliens currently residing in the U.S. who are not currently receiving benefits are barred from eligibility for food stamp benefits until they obtain citizenship.

Under this motion, legal immigrants and refugees in Wisconsin who were, or would have been, eligible for federal food stamp benefits except for their immigrant status would receive a payment from the state in an amount equal to what the household would have received under the federal program. It is estimated that this program would cost \$3,800,000 in 1997-98 and \$4,100,000 in 1998-99.

[Change to Base: \$7,900,000 All Funds]

[Change to Bill: \$7,900,000 All Funds]

MO# 5022

BURKE	(Y)	N	A
DECKER	(Y)	N	A
1 GEORGE	(Y)	N	A
2 JAUCH	(Y)	N	A
WINEKE	(Y)	N	A
SHIBILSKI	(Y)	N	A
COWLES	Y	(N)	A
PANZER	Y	(N)	A
JENSEN	Y	(N)	A
OURADA	Y	(N)	A
HARSDORF	Y	(N)	A
ALBERS	Y	(N)	A
GARD	Y	(N)	A
KAUFERT	Y	(N)	A
LINTON	(Y)	N	A
COGGS	(Y)	N	A

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

TANF Funding Reserve

Motion:

Move to provide \$14.0 million in TANF funds to be placed in the Committee's program supplements appropriation in 1997-98 for use either for: (a) supplemental payments to children of SSI recipients; or (b) Learning Labs and customized labor training programs. Specify that priority use of the funds would be for supplemental payments to children of SSI recipients if the federal government does not authorize the use of GPR funds under the SSI program to make these payments. Authorize the Committee to release these funds under a 14-day passive review process following a joint request by DHFS and DWD.

[Change to Base: \$14,000,000 FED]

[Change to Bill: \$14,000,000 FED]

MO# 5200

BURKE	Y	N	A
DECKER	Y	N	A
GEORGE	Y	N	A
JAUCH	Y	N	A
WINEKE	Y	N	A
SHIBILSKI	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
JENSEN	Y	N	A
OURADA	Y	N	A
HARSDORF	Y	N	A
ALBERS	Y	N	A
GARD	Y	N	A
KAUFERT	Y	N	A
LINTON	Y	N	A
COGGS	Y	N	A

AYE 15 NO 1 ABS 0

# WORKFORCE DEVELOPMENT

## Economic Support and Child Care

### LFB Summary Items for Which No Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
8	Learnfare Under W-2
9	Expand Eligibility for Child Care to 200% of Federal Poverty Level
10	Expand W-2 Child Care for Minor Parents, Foster Parents and Job Search
11	Child Care Appropriations; Sunset Date of Low-Income Child Care; Joint Finance Committee Passive Review
12	Funding for Nondirect Child Care Services
13	Distribution of W-2 Child Care Funds
14	Responsibility for Child Care Certification Standards and Reimbursement Rates
15	Transfer of Tribal Child Care
18	Fugitive Felons and Misrepresentation of Identity or Place of Residence
20	Periodic Earnings Check
21	Emergency Assistance
23	MA Eligibility Unit
25a-c	Food Stamp Program Changes
27	Food Stamp Offenses
28a-c&e	Release of Information Regarding Public Assistance Rec
30	Convert Classified Positions to Project Positions

*include all items*

MO# \_\_\_\_\_

### LFB Summary Items for Introduction as Separate L

1	BURKE	(Y)	N	A
	DECKER	(Y)	N	A
	GEORGE	Y	(N)	A
	JAUCH	(Y)	N	A
	WINEKE	(Y)	N	A
	SHIBILSKI	(Y)	N	A
	COWLES	(Y)	N	A
	PANZER	(Y)	N	A
2	JENSEN	(X)	N	A
	OURADA	(Y)	N	A
	HARSDORF	(Y)	N	A
	ALBERS	(Y)	N	A
	GARD	(Y)	N	A
	KAUFERT	(Y)	N	A
	LINTON	(X)	N	A
	COGGS	(Y)	N	A

<u>Item #</u>	<u>Title</u>
19	Electronic Funds Transfer
22	Determination of Eligibility for MA
25(d)&(e)	Food Stamp Program Changes
26	Food Stamp Program Administration
29	Recovery of Overpayments

AYE 14 NO 2 ABS \_\_\_\_\_