

2009 DRAFTING REQUEST

Bill

Received: **01/08/2009**

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Grimsrud**

This file may be shown to any legislator: **NO**

Drafter: **pkahler**

May Contact:

Addl. Drafters: **gmalaise**

Subject: **Public Assistance - Wis works**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Grimsrud, BB0363 -

Topic:

Wisconsin Shares local administration

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 01/09/2009 gmalaise 01/13/2009	csicilia 01/15/2009		_____			State
/P1			mduchek 01/15/2009	_____	cduerst 01/15/2009		State
/P2	pkahler 01/28/2009	kfollett 01/28/2009	phenry 01/29/2009	_____	sbasford 01/29/2009		State
/1	pkahler 01/30/2009	csicilia 01/30/2009	rschluet 01/30/2009	_____	cduerst 01/30/2009		

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/P1	pkahler	<i>1/28</i>	mduchek 01/15/2009	<i>1/29 ph/md</i>	cduerst 01/15/2009		State

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2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Wisconsin Shares Local Administration
- Tracking Code: BB0363
- SBO team: Education, Children & Families
- SBO analyst: Sarah Grimsrud
 - Phone: 266-2288
 - Email: Sarah.Grimrud@Wisconsin.gov
- Agency acronym: DCF
- Agency number: 437
- Priority (Low, Medium, High): High

Intent: Provide that DCF may contract with either (1) a county, (2) a W-2 agency, (3) a child care resource and referral agency, or (4) another agency to determine child care eligibility for persons residing in a particular geographic area or tribal unit. Further, provide that the same agency that determines eligibility for a child care subsidy shall also determine co-payment liability, amount of authorized hours, perform annual survey of market child care rates, assist individuals to identify child care providers, and review and re-determine the continuing financial and non-financial eligibility of subsidy recipients.

See attached issue paper for background. The specific statutory language requests are recommendations starting on p. 15. I am not sure if recommendation #1 needs to be in statute, but recommendations #3, #4, #5, and #6 should be included. PLEASE DISREGARD RECOMMENDATION #2, and do not include that recommendation in the draft. Thank you.

Department of Children and Families
2009-11 Biennial Budget
Governor Budget Issue Paper

Issue: How should Wisconsin budget and contract for local administration of Wisconsin Shares child care subsidies?

Background

Child Care Regulation

Under current law, certain child care providers are required to be licensed, whether or not they accept Wisconsin Shares subsidies: Generally, no person may for compensation provide care and supervision for 4 or more children under the age of 7 for less than 24 hours a day without a license from DCF to operate a family or group child care center. Providers are licensed in three categories: group child care centers (serving 9 or more children), family child care centers (serving 4-8 children), and day camps.

If a provider that is not required to be licensed wishes to receive Wisconsin Shares subsidies, that provider must be “certified” by a county or tribal agency. Certification is intended to ensure basic protections for children when public funds pay for child care. These protections range from checking the provider has had a negative tuberculosis test, to requesting a background check for criminal and other violations relating to children, and checking whether water available at the home is safe to drink. Types of certified care include “family providers” that provide care in their homes for up to three children unrelated to the provider, “in-home” providers that provide care in the home of another’s child or children, and “school-age programs” that serve children aged 7 or older. Counties and tribes may make certification available to all family child care providers, whether or not public funding is involved.

Child care licensing is performed by DCF staff. Under current law (s.48.651) Wisconsin counties are mandated to certify providers that receive Wisconsin Shares, using standards adopted by DCF (generally reflected in the Wisconsin Administrative Code at DWD 55). County certification is performed by county or tribal staff, or contracted out by 14 of these agencies, in 10 of these situations (as of 2008) to child care resource and referral (CCRR) agencies.

Administration of Wisconsin Shares

Current law differentiates responsibility for determination of eligibility for Wisconsin Shares from other local administrative functions. Eligibility is statutorily the responsibility of a W-2 agency (which may be a county or consortia of counties, private non-profit agency, or private for-profit business). Funding for child-care eligibility determination is budgeted within the W-2 contract as a part of the statutory allocation for W-2 “services,” although several W-2 agencies, including the Milwaukee agencies, subcontract with counties to perform the function.

Separate from the eligibility function, DCF contracts with counties and tribes for other aspects of Wisconsin Shares administration. State law [s.49.155 (3)] provides that “In administering [Wisconsin Shares] the county...shall do all of the following:

1. Determine an individual’s [co-payment liability]

2. Provide a voucher...or otherwise reimburse child care providers.” [This outdated language generally encompasses the authorization of care and providing for DCF to reimburse the provider].
3. Set maximum reimbursement rates [unless the state has set maximum rates, which it has]
4. Certify providers. And
5. “Assist individuals who are eligible for child care subsidies...to identify available...providers and select appropriate child care arrangements.”

Through administrative rule and contract, the State has elaborated on its expectations for Shares administration, defining the purposes of the contracts with counties and tribes as paying for costs associated with:

- (a) Providing a child care coordinator for each county or tribe.
 - Authorizing children to attend regulated providers based on the W-2 agency’s determination (or the county’s under subcontract) that an applicant is eligible in terms of income and need for child care in order to participate in an approved activity, including working in an unsubsidized job.
 - Assisting families in locating child care.
 - Authorizing payments to providers and recording attendance records for those providers that do not self-report to the web.
 - Adjusting authorizations when underutilized.
 - Maintaining child care provider records in the Child-care State Administration on the Web (CSAW) system, including accurate W-9 forms for tax reporting purposes.
 - Updating provider demographic data that relates to reimbursement.
 - Conducting the annual rate survey and sending the information to DCF for the determination and calculation of the reimbursement rates.
 - All processes relating to child care provider certification including, determining whether certification requirements have been met at initial application and review, monitoring for compliance, and hearing appeals and requests for rehabilitation reviews.
 - Providing monitoring and fraud prevention/investigation regarding issues relating to child care authorization/payment criteria.
 - Representing DCF in appeals that relate to child care subsidy authorization and payment.
 - Identifying, calculating, and collecting (or certifying to DCF for collection) overpayments caused by incorrect authorization or payment.
 - Reviewing parental eligibility every six months or whenever parents report changes that affect their eligibility (eligibility re-determination).

Note: While initial eligibility determination is a W-2 agency responsibility, Administrator’s Memo 07-09, which awarded the counties and tribes CY2008/FY2008 contract allocations, included a policy statement that allowed counties to charge eligibility re-determination costs (for the required six and twelve-month reviews) to their child care administration contracts because, under DWD 56 Child Care Administration Rules, parents are required to report changes that affect their eligibility to child care administrative agencies, and child care administrative agencies are required to review eligibility when those changes are reported and at least every six months.

Funding For County & Tribal Wis. Shares Admin.

Since the start of the TANF and W-2 programs in Wisconsin, state-provided funding for county responsibilities for the Shares program has been budgeted as a part of a statutorily specified amount (allocation) for “Direct Child Care Services.” This allocation primarily funds Shares provider reimbursements but also includes contract funding for on-site care at W-2 agencies, and funding for a Migrant child care contract with United Migrant Opportunity Services (UMOS). Although budget assumptions are made for the contracted components, including county administration, the absence of statutory indicators of the contract amounts, and their inclusion within a larger overall allocation, has been interpreted as providing DCF discretion to determine how much to issue in contracts, so long as the overall child-care budget is balanced by the end of the state fiscal year. One reason for this interpretation is that current law provides a “formula” under which the amount for administration could be varying amounts.

The statute [s.49.155 (3m) (b)] provides that “Of the funds distributed [for Direct Child Care Services, including on-site and migrant care] not more than the greatest of the following may be used for the costs of administering the program...:

1. Five percent of the funds distributed ... in the current year.
2. Five percent of the funds distributed...in the immediately preceding year.
3. Twenty thousand dollars.”

Child Care Administration Contract amounts 2008

Contract level	Number of Counties/Tribes
\$20,000 Minimum	27
\$20,000-\$100,000	27
\$100,000-\$500,000	13
\$587,950	1 (Kenosha)
\$1,255,030	1 (Dane)
\$8,591,831	1 (Milwaukee)

While the statutory administration formula is a limit, or maximum amount (“not more than”), it has typically provided the basis for local-agency allocations. (Appendix 3 shows 2008/current contract levels). As the Shares program grows, the implied amount for administration would as well. However, for CY 2009 county contracts, the Division of Early Care and Education has recommended that counties above the minimum allocation receive either 5% of the reimbursement to providers in their county in SFY 08 or the same amount as their CY 2008 contract, whichever is less, which would result in a \$138,623 reduction from the amount contracted for CY 2008. \$15,934,379 was contracted for county and tribal contracts in the 2008 cycle (CY 2008 for counties and FFY 2008 for tribes) and, if the DECE recommendation is accepted by the secretary’s office, \$15,795,756 would be contracted for the 2009 cycle. Based on SFY 08 provider reimbursements, contracts for administration could have been issued for \$17,015,994 if counties experiencing increased reimbursements were allocated the maximum 5%.

In addition, state law provides that a county or tribal agency may charge a fee for family and in-home provider certification, not to exceed 150% of the state-set licensing fee for a family child care center plus the costs of criminal record checks. The current licensing fee for a family center is \$60.50. The maximum amount that a certifying agency may charge for family-provider certification is \$90.75 plus the cost for background checks. The fee may be charged at initial application and/or for the re-certification application (every two years). Appendix II shows that most county and tribal agencies did charge fees in 2007, but the amounts were relatively small.

Analysis/Discussion

Several interrelated ideas have been raised that collectively suggest considering reorganizing the way Wisconsin budgets and contracts for Shares eligibility determination, certification, and remaining administrative functions. These include:

- Given that the majority of the Shares caseload is working in unsubsidized employment and not in a W-2 placement, and given that many W-2 agencies are either counties or contract with them for the eligibility function, it could be more efficient for DCF to contract directly with counties for eligibility than for W-2 agencies to subcontract for it. As the current W-2 contracts expire in December 2009, removing responsibility for Shares eligibility from W-2 agencies in the next contracts, or limiting their responsibility to those interested in W-2, could potentially free W-2 worker time to better serve W-2 clients. A variant on this idea would be to consider using child care resource and referral agencies (CCRRs) for Shares eligibility determination.
- With the creation of DCF, there is interest in ensuring greater consistency of services for children than may occur in a purely county-based system. Regionalizing or centralizing some services could potentially bring more consistent customer service and/or economies of scale (cost savings or more controllable costs). In addition to greater consistency or uniformity, DCF is interested in promoting improvements in the quality of certified care, and child care generally.
- Some have suggested that current county child-care certification responsibilities are a regulatory function having more in common with DCF's child care licensing function than with other county child care administrative responsibilities.
- Contracting child care certification, or potentially other child-care-related functions, to regional non-profit agencies specializing in child care (CCRRs) may have the potential to attract more private dollars in public-private partnerships compared to functions administered by state or county governments.

A number of issues should be weighed in considering how best to accomplish the policy goals.

County Certification Costs

The potential for cost savings in alternative delivery approaches for the certification function is difficult to evaluate because complete information is not available about current costs. DCF does not currently require counties and tribes to report the costs of their certification programs separately from overall costs reported for reimbursement from its county administration

contracts. However, the current budgets for certification in the largest two counties, Milwaukee and Dane County, and one small county (Columbia) are known.

- In 2008, Milwaukee County's budget for certification is \$2,310,459. The staffing pattern is 15 staff and 4 supervisors. As of November 1, 2008, there were 452 certified providers in Milwaukee County.
- Dane County contracts out the certification function to Community Coordinated Child Care, "4-C," the local CCR agency. The 2008 contract is for \$233,000. There are five FTE's. There are 309 certified providers. These same 4-C FTE also serve Columbia county (7 certified providers), and as a result, its budget (\$18,000) is also known.

As of November 2008 there are 3,387 certified providers statewide. This number may not fully represent the workload associated with the certification function because it does not include the number of applicants for certification that are not certified or renewed and because the turnover of certified providers can be as much as 50% annually. In addition, the certification function includes following up within 10 days on complaints that certified providers have violated certification rules or the caregiver law and making referrals if appropriate to child protective services or law enforcement. Nevertheless, if all activities associated with certification in each county are assumed to be proportional to the number of active certified providers, it may be valid to estimate certification budgets based on an average cost per certified provider.

Milwaukee County's cost per certified provider (\$5,132) is high relative to Dane's (\$754) and Columbia's (\$2,571). However, there are some reasons to think that Dane County's cost is unusually low: First its budget has increased little since 2000; second, it is known that the City of Madison also contributes to 4C's operation; and the significant presence of licensed providers in Dane County may somewhat reduce the need for certification of other providers. As a result, a per-provider average of the Milwaukee, Dane, and Columbia costs (\$3,335 per provider) may be reasonable for mid-size counties.

Applying this average to the number of certified providers in counties receiving more than the minimum \$20,000 allocation, and using the actual 2008 budgets for the two largest counties and Columbia County, suggests statewide certification costs could be as much as \$9.3 million (58.5%) of the current \$15.9 million state contract for administration. A per-provider cost estimate may overstate actual and future costs, because the number of certified providers has decreased each year from 5,533 in 2001 to 3,387. The reasons for this decline are not fully known, but because certified providers are not eligible for the maximum Shares reimbursement rates, the rate structure may provide some incentive to become licensed (see next section).

Alternatively, Milwaukee County's certification budget is only 27.6% of its overall child care administration budget (compared to 33.5% of Columbia's or 18.6% of Dane's). If it is assumed that some economies of scale are possible, it may be reasonable to assume that 27% of current Child Care administration contracts could be an appropriate average to use for establishing a statewide "current" budget for certification functions (some counties currently would be more and some less). By this method, the current DCF contribution to county certification costs within its Shares administration contracts would be \$4.3 million. This is approximately equivalent to assuming \$1,000 per certified provider in larger counties (those currently receiving

over \$100,000) and \$500 per provider in smaller counties, along with actual budgets for Milwaukee, Dane, and Columbia counties.

It should also be noted that, whatever the current DCF share of county certification costs is, it does not represent the full cost of certification programs. Many counties charge fees, though the level of these fees is limited by DCF and appears relatively low in relation to the overall public costs and in relation to the private benefits that accrue to individual providers. Second, some counties contribute their own resources from local property or sales taxes or state shared revenues. DCF records indicate that counties reported a total of \$601,738.94 in child care administration expenditures above their CY 2007 state contracts, in amounts ranging from \$1.63 to \$62,404.41 (Jefferson). However, this information is incomplete since over-reporting is voluntary and certification costs are not differentiated.

There are 14 counties currently contracting out for provider certification, 10 with their local CCRR agency and 4 others with other types of local non-profit agencies. (Appendix 1 and separate-document map). In some areas these agencies may receive private contributions through the United Way or their own fundraising. For example, the State Employees Combined Campaign in Dane County allows designations to Community Coordinated Child Care (4C) and Dane County Parent Council (Head Start). Although it is not known whether CCRRs conducting certification functions for counties supplement the state/county funding, the arrangement may benefit from some synergies and cross programming, for example, in the availability of technical assistance and training from knowledgeable staff.

Nature of County Certification

Counties are a government entity, accountable to elected boards and/or executives. Legally, they are sometimes referred to as “creatures of the state,” used to deliver state services (maintenance of state and U.S. highways, social and human services, circuit courts). As a result, counties provide a combination of services mandated by the state and services their own elected officials have prioritized, and have the ability to establish and enforce their own laws and standards relating to public health, safety, and welfare.

As a result, while certification is a regulatory function, this does not automatically mean it is unlike other county or tribal functions or is more logically performed at the state or larger “regional” level. If certification is viewed primarily as a regulatory function, it could be argued that state or local-government employees are the most appropriate to provide “official” certification or withhold it, or to legally enforce complaints and violations of certification rules. Private or non-profit-agency employees may be less accepted by the public in these roles, although, in theory, the agency with which the state contracts is acting on behalf of the state.

At the same time, as currently defined, child care certification is not limited to regulatory functions. In some other states, similar care provided by family, friends, and neighbors is essentially unregulated. In contrast, Wisconsin’s program provides some incentives for provider training as well as basic review of the care-giver’s fitness and site safety. Providers are certified under one of the following classifications:

- Provisionally Certified (level II) – meets all standards, but has not completed the initial training. [These providers qualify for a Shares reimbursement rate that is 50% of the maximum reimbursement rate for licensed child care services]
- Regularly Certified (level I) – meets all standards and has completed the initial training. However, the certifying agency has the discretion to require regularly certified providers to complete annual continuing education. [These providers qualify for a Shares reimbursement rate that is 75% of the maximum reimbursement rate for licensed child care services]

DWD 55 requires a site visit to be conducted prior to granting regulatory approval to a new applicant and at renewal (every 2 years). The rule also requires a visit within 30 days after a provider has moved to a new address. Usually, the certifiers do not conduct site visits with new providers until all above materials are collected and no concerns are found during the background investigation. The home where the care will be provided must be inspected and found to comply with every standard in DWD 55 prior to granting the certificate. Once the applicant (and other individuals associated with the home/operation) has been screened, the certifier schedules an appointment for a site visit. The first appointment usually takes several hours because the certifier must make sure that the applicant is aware of the expectations and understands the intent of the rules. The certifier must identify to the provider, in writing, the items that are out of compliance and cite the rule from the standards and checklist.

Within 60 days after receiving a completed application for certification or recertification and satisfactory investigation and determination that the applicant is fit, the county or tribal agency must either approve the application and issue a certificate or deny the application. Certification can only be issued after the child care provider has demonstrated compliance with all certification standards, including the caregiver law. The 60-day-period starts once all application materials above have been received by the agency. Both regular and provisional certification must be for a period of 2 years and shall be renewed upon application if the provider continues to comply with the certification standards.

Reasons for Inconsistency

If consistency of certification or other child-care-related services is a goal, consideration should also be given for potential reasons for inconsistent service. The impulse to “centralize” or regionalize hints at some: That counties are by their nature currently allowed to determine local priorities for resources, so long as they carry out the core functions mandated by the state. In addition, depending on the nature of the service, each county or tribe has administrative and management structures that could be viewed as “duplicative,” if the same government service could be delivered to the same people for a multi-county region using only one set of management and overhead costs for the area.

On the other hand, inconsistent service could be related in part to priorities set by the state. Three reflections of state priorities are: Funding levels, contractual and staff training requirements, and what else the state asks the same counties to do (competing priorities), in this instance (child care administration) within the same contract funding. For example, at times the state may wish counties to focus on changes in authorization/ reimbursement policy.

Twenty-seven (27) counties and tribes currently receive the minimum \$20,000 for all child care administrative functions (this minimum has not been increased in at least 10 years). Generally

that represents part of the cost of at least one FTE. However, these small allocations are insufficient to cover the cost for multiple staff to develop program expertise. Instead, one staff person is expected to serve multiple roles. Usually, certification is given as a part-time job assignment to an “economic support worker” who may also work with other state programs such as Food Share and, who often have very little knowledge of early childhood education. Due to their other duties, these workers often do not have adequate time to learn about certification. The turnover of certifiers in county and tribal agencies is high.

DWD 55 requires certification workers to attend department-approved training, within six (6) months of hire or taking over certification duties. “Day care certification worker” is defined as a person employed by a county/tribe or an agency, under contract with a county or tribe, whose duties include determination of eligibility for day care certification. The training is offered twice a year.

The above observations may suggest that state employees, CRRs, or other regional entities could provide better service. Alternatively, some counties may argue that similar goals could be achieved by modifying the state allocation formula to increase the minimum allocation, increase overall funding, or modify the formula to reward factors other than the amount of Shares expenditures in the county. Additional funding could be targeted to county worker training and/or to promote longevity (perhaps modeled on the TEACH and REWARD programs for child care providers). And through modification of administrative rules pertaining to certification and Wisconsin Shares administration, the state could simply require more uniformity at the local level, such as requiring annual continuing education for regularly certified providers rather than allowing counties or tribes to determine individually whether to require it, which could presumably increase the quality of certified care.

Finally, it should be noted that local inconsistency is not always synonymous with lower quality. Because counties currently set their own priorities, some counties currently provide (directly, or indirectly through contracts with CRRs) higher levels of service than required under the current certification rule: For example, in DCF’s annual certification survey of counties and tribes, 46% (37) of 80 agencies responding reported annual (29 respondents) or more-than-annual (8) site visits to providers. In adopting more uniform statewide standards, an issue would be whether the level of service would be established at the current minimums required, or at the levels provided by the most exemplary counties. If the latter, cost savings would be unlikely to occur, and if the former, certified child care consumers in at least a few counties would receive a lower level of service than they currently enjoy.

Potential for use of CC Resource and Referral Agencies

There are 10 counties already contracting this service with their local CRR agency. (Appendix 1). Dane county has been contracting this service the longest; since 1984. The quality and monitoring of the certified programs seems to be higher in those counties where the certification is administered by a CRR agency, compared to those run by county/tribal human services departments.

The CRR agencies function as training and technical-assistance hubs for local providers. CRRs that currently administer certification tend to have very professional staff with credits or degrees in early childhood education. They are very knowledgeable about the issues with providers and are able to mentor the providers if problems are identified. While one mission of

CCRRs is to assist parents in assessing their child care options, CCRR staff are also knowledgeable about various resources available in their community to which they can refer the providers when issues are identified. Despite past reductions in state funding, the staff turnover seems to be very low in the CCRR agencies. Also, the CCRR agencies more often send their certification staff to professional training events, such as semi-annual certification round-table meetings, conferences, child care networking meetings, etc. They also have open communication with child care licensing staff.

The Bureau of Early Childhood Education (BECE) conducts an annual survey of certification programs in the state. According to the surveys, certification programs run by the CCRRs conduct more site visits than required by the certification rule. They are also more likely to require continuing education from the providers they certify. In addition, these certifiers inform providers about various quality-enhancing programs available (TEACH/REWARD, Child Care Food Program, etc) and they are more likely to train the providers on the Early Learning Standards.

While excellent county service exists as well, if BECE staff impressions of CCRR services are accurate, they may suggest that CCRRs would be generally better at certification, and potentially Shares eligibility, co-payment determination, and authorization as well. In effect, this might provide greater “one-stop shopping” for child-care-related services, information, and training for both participants and providers. However, in some counties as much as 95% of Shares clients also receive FoodShare and/or Badgercare. As a result, Wisconsin Shares clients would still likely have to visit the county for these and other programs, and some may have to visit a separate W-2 agency.

Potential For State to Assume Certification Functions

The creation of the Department of Children and Families has allowed better coordination of child-care certification, licensing, subsidies, and quality-improvement programs, developing an integrated statewide child-care system by melding the former DHFS and DWD programs. The state could consider eliminating the mandate that counties certify providers that are not required to be state-licensed and instead use state staff to provide certification functions. Under this option, certification policy oversight would likely be moved from the BECE to the Bureau of Early Care and Regulation (BECR). This would consolidate the more regulatory functions in the BECR.

This option has the potential to increase the quality of the certification program because staff could be knowledgeable about, or have improved communication with staff who are, both licensing and certification regulations and the universe of child-care quality-enhancing resources. Consolidation of these efforts would promote consistency in monitoring all child care settings throughout the state. In the long-term, there may be some efficiency realized from state takeover, although some time would be required to hire and train a significant number of new state staff. Due to the site visits involved in certification, the additional state staff would need to be located throughout the state, necessitating state costs for regional staff (in some instances former county staff might be hired by the state). As a result, state takeover of the certification function would not truly represent “centralization,” and it is unclear whether the costs would ultimately be lower than mandating counties to perform the function for state funding that may or may not keep pace with the actual cost. After state takeover, the state would assume the full cost in the DCF budget and would no longer benefit from county contributions.

National licensing standards recommend no more than 75 (family child care) programs per licensing specialist. If we adopt that national standard for certified programs as well, we would need to add at least 45 more full-time equivalent licensing specialists at a cost of about \$75,000 each (includes salary budgeted at the minimum, fringe, supplies and travel). If all these employees were hired at the minimum salary, the total annual cost for these employees would be \$3,375,000. However, additional support staff would also be needed in both BECR and elsewhere in the department (Legal, HR, Budget, Finance), and additional space or lease costs would be likely. With the current state share of certification costs estimated somewhere between \$4.3 million and \$9.3 million, the cost to perform certification with state staff may be similar if the actual cost is at the lower end of that range, and could be less if the actual cost is at the higher end of the range. State costs could be slightly offset by charging a certification application and renewal fee, which could be somewhat higher than current county fees.

It should be noted, however, that Wisconsin's state budget process is somewhat institutionally biased in favor of local services and against "state operations" (state responsibilities). Annual budget reduction and lapse (forced under-spending) targets typically apply mainly or exclusively to the portion of the budget that supports state staff, particularly if funded by GPR or fees. In addition, the administration has sought to reduce or limit growth in state employees. Wisconsin historically maintains fewer state employees than other states because of its heavy reliance on county staff to deliver services (e.g., state highway maintenance) performed by state staff in most other states, and this system is regarded as relatively efficient because it provides a variety of work year round for county staff. These arrangements also take on some institutional inertia as local government associations, such as the Wisconsin Counties Association, are statutorily empowered to lobby the Legislature. While counties might welcome "release" from a function mandated under current law (certification), they might question whether the budget for any Wisconsin Shares administrative functions remaining with them is adequate, and the addition of state staff would increase the state-operations share of the DCF budget.

Potential for Regional Service Structures/Public-Private Partnerships

Regionalization of the child care administration now provided through county agencies is a significant change that will require close work and discussion with our county partners. Regionalization must be done in conjunction with program and funding restructuring, including implementation of outcome-based contracts with the new regional entities. Statutory changes would be needed in most if not all areas, so any significant changes would also be linked to the biennial budget process. Several approaches could be considered. One has been discussed above, which is to eliminate the mandate for counties to perform certification and instead rely on CRRs. It is unclear whether they could be spontaneously relied upon to guarantee coverage statewide (unlike counties, the state could not mandate them to take the responsibility, which could lead to upward cost pressures in order to negotiate an acceptable contract). However, it is possible that even Dane County's 4-C would be interested in serving all otherwise un-served areas.

One reason CRRs may be interested in taking over the certification function at or near the lower-end cost estimate of \$4.3 million annually is that DCF already is required under current law to provide grants to them of at least \$1,225,000 per fiscal year. As a result, if this were maintained or increased, the combined "package" of reliable state funding may allow a better financial foundation than either would represent individually. In addition, it has been suggested

that private philanthropic foundations might support an initiative aimed at improving child care certification in particular, or quality improvement more broadly, with the DCF certification funding merely providing a stable foundation to build on. This could possibly leverage public and private dollars to improve the certification regulation process and provide additional resources for technical assistance and professional development.

A variant on this “contracting out” concept would be to “bid” out the function for a DCF-defined multi-county region or other geographical area, opening competition to counties, CRRs, and other private non-profit or for-profit entities. This could be similar to the current process for awarding W-2 contracts (if removal of the county mandate is approved in the biennial budget, it could, in fact, be included in the next W-2 Request For Proposals (RFP) process), which is not truly a “low-bid” process, or price competition could be considered. While this approach may lead to some inconsistency, the degree of inconsistency that occurs is largely a function of state oversight of contractual performance.

While the W-2 RFP approach does not guarantee that every geographical area would be served by a CRR, it would increase the likelihood that all areas will be served efficiently by an entity that is highly motivated to provide the service. Since multi-county service would be new, it may also be beneficial to have a variety of approaches “piloted,” by virtue of CRRs selected for the certification contract in one or two regions, a county serving all surrounding counties in another region, and others possibly served by a private company, or even by state staff (the “default” in the W-2 contracting process, if no other acceptable contractor is found).

Finally, another approach to regionalizing service would be for the state to remove the county mandate and create a new regional specialty government (e.g., “Children’s Service Regions”) to perform the function, similar to technical college districts, school districts, or regional transportation authorities (RTA). The theoretical advantages of this approach are it provides certainty of service with an enhanced focus on a particular mission, rather than all other county functions, potentially along with taxing power that would be separate from current state and county taxes. For example the entity could be funded with a small sales tax, similar to the Milwaukee-area stadium tax. Downsides to this literal regionalization of the function are the greater time it would take for the new government entity to begin functioning and hiring employees, and the fact that creating additional special-purpose governments with taxing power has been controversial in other issue areas and may compete with other similar proposals (RTAs proposed for Dane County and Racine, for example). Appendix 4 recaps the other certification options and summarizes some potential pros and cons associated with each.

Stakeholder and Affected Individuals/Organizations

Potentially affected interests include county government at all levels—including county executives and administrators, county board supervisors, county human service/child support directors/program managers, and county staff and the unions representing them. In addition, AFSME now represents certified family providers in Wisconsin. The WI Counties Association and WI County Human Services Association should also be involved, particularly if more “radical” approaches that eliminate county choice are selected. The role and employment options for current county employees will be a significant issue that must be addressed, especially as we look at regionalization of other programs that have been traditionally operated by counties. Creation of particular service-delivery regions may also benefit from working

closely the Department of Health Services so we have a uniform and consistent approach to looking at and changing the existing county-based system.

Depending on the recommended approach, it may be harmful to the CCRRs that will lose contracts they currently have with counties. Their separate contracts with the state have been reduced over the last six years. It may be possible to mitigate this possibility by providing additional funding for the CCRRs, separate from the certification funding, though this would offset potential for cost savings in the regional approaches. It may also be able to design an RFP approach that favors potential contractors that have a cooperative relationship with the local CCRR.

“Remaining” County Child Care Administrative Functions

If the certification function is contracted separately from other existing county and tribal child care administrative functions, a new “formula” will be needed to determine the amount and/or distribution of the remaining budgeted funding from DCF for child care subsidy administration. The current maximum of 5% of funds expended in the current or previous year is arbitrarily related to actual costs (presumably once related to the federal allowance of 5% of the Child Care and Development Block Grant for a specialized definition of administration that excludes eligibility and information-technology costs). It is important to recognize that the “distribution” formula for the federal funds used for administration is primarily used to determine initial contract allocations for individual agencies. Agencies would continue to report actual costs for reimbursement and some agencies might not earn their contract maximums.

The ideal formula allocation factor is “simple,” easily available, and would reflect the relative workload among counties/tribes. Such formulas are also typically modified to provide some stability and predictability for individual agencies from year to year such as establishing minimum allocations and/or establishing 2% or 5% maximum-reductions from one year to the next, which serve to “cushion” individual agencies against changes caused more by other-agencies’ efforts than their own. If the child-care certification function were separated from the current budget for local administration, the remaining “core” functions would suit these characteristics well: The minimum \$20,000 feature of current law could be retained. While it conceptually includes some expenditures for certification, since it has not been increased in at least 10 years, the remaining funding would not be an excessive contract maximum for authorizations and eligibility redeterminations (again, payments would ultimately depend on actual county-reported costs). These factors are likely the best simple factors representing the workload associated with child-care administration functions that would remain if certification were separated.

Additional advantages of separating funds budgeted for certification from those budgeted for remaining administrative functions and allocating funds based on the above factors would be:

1. Establishing greater clarity in the amounts anticipated by the biennial budget for each function. Under current law, the allocations under s.49.175 for TANF and Child Care budget categories are not strictly limiting, in the sense it is possible for some to be overspent (if under-spending is available in another allocation). However, it may be that separate decision-making for each functional contract will avoid repeating the assumptions in the last biennial budget act that funding for contracts could be held constant at an unrealistic

\$16,000,000 per year for four years because of department discretion to prioritize within that total (i.e., how much for county admin., how much for W-2 on-site, and how much for migrant care) and within the overall budget for Direct Child Care Services.

The below table shows current and proposed funding for these contracts, totaling \$3.1 million and \$2.7 million, respectively, in excess of the \$16,000,000/year originally assumed within the Direct Child Care Services allocation in current law (note: Allocations are set on a SFY, rather than a CY basis, and the original 2007 Act 20 allocation level for SFY 08 was subsequently increased by \$18.6 million in a budget-adjustment bill).

Contracts	CY 2008	DECE Proposed CY 2009	Change
Child Care Administration Contracts	\$15,934,379	\$15,795,756	(\$138,623)
On-site Child Care	\$2,587,833	\$2,397,810	(\$190,023)
Migrant Care	\$548,633	\$548,633	\$0
Total	\$19,070,845	\$18,742,199	(\$328,646)

2. Contract allocations (representing the intended maximum expenditure for an individual agency for the year) would be linked to workload measures rather than expenditures. As a result, budgeting for contracts on a basis different than overall subsidy growth, such as 3% inflationary increases, or no increase (even if provider-reimbursements grow 6%), may become somewhat more viable.
3. Including relative share of eligibility redeterminations in the previous year as a factor for allocating county contract funding would create a mild incentive for all counties to keep up with this work on a timely basis. Eligibility redeterminations are potentially related to program integrity, and in the event of insufficient overall Shares funding, ensuring that maximum funding is available for those currently eligible. While the "built-in" incentive of a formula using prior-year data could be diminished if agencies other than counties are allowed to bid, and if contracts are frequently re-bid, the same incentive would exist for those agencies interested in retaining the contract from year to year.
4. It would still be possible to use the same formula of either a minimum \$20,000 or the share of prior-year authorizations and eligibility re-determinations in each county as the basis for a multi-county regional allocation, or an allocation to a non-county entity.

Other Child Care Contracts and Wisconsin Shares Eligibility

Two other components of the current-law statutory allocation for Direct Child Care Services are traditionally contracted out: On-site care (now exclusively at W-2 agencies for the use of their clients, typically in Job Center locations) and Migrant Child Care. W-2 Agency directors have said they view adequate funding for on-site care as critical to their clients. According to the DECE, W-2 directors have stated that the current level of funding is the minimum needed to maintain child centers at Job Centers for the use of W-2 participants. The DECE-proposed 2009 contract level would fund 12 W-2 agencies for 16 sites, approximately 2 fewer contracts than in

past years. The need for on-site care may increase if serving additional W-2 cases is anticipated in the next contract period.

By 2009, funding levels for the migrant child care contract with UMOS will have been flat for four years when funding was reduced in the legislative process to its current level. The DECE reports that it believes the flat funding for the UMOS contract has resulted in some additional demand for regular Wisconsin Shares authorizations, so that freezing the contract has been ineffective at producing significant overall savings in the Direct Child Care Services allocation.

As noted in the background portion of this paper, under current state law, Shares eligibility determination is the responsibility of the W-2 agencies, but several contract back with the county to perform the function. (Alternatively, it also appears that two counties contract with a non-profit W-2 agency, Workforce Connections, Inc., to perform the county's non-eligibility responsibilities).

State funding for local agency costs of child-care subsidy eligibility determination is budgeted and charged to the W-2 agencies' Services contract allocation. Due to the state's federally approved cost-allocation and accounting methodologies, costs have varied considerably from year to year (e.g., \$7.3 million in SFY 06, \$5.4 million in SFY 07, and \$6.5 million in SFY 08) and could increase in the future if more people apply for child-care subsidies. However, it may be reasonable to assume the W-2 Services base includes about \$6 million annually for the function (\$9 million in 2009-11 if implemented January 1, 2010) that could be reallocated and that \$3.5 million and \$7 million should be budgeted for SFY 10 and SFY 11, respectively. (The SFY 11 amount would be the base for the future, with the last "6 months" of the 2-year W-2 funding period funded in the next biennium).

While base W-2 services funding would presumably have to be reduced by a reasonable estimate of the base cost, if the proposals for performing the function were taken separately, some W-2 agencies wishing to continue to perform eligibility would receive an allocation specifically for this purpose, in addition to their base W-2 services allocation. While subcontracts might continue to be an option, current law could be changed to give DCF the option to contract directly with a county, CCR, or other for-profit or non-profit agency, rather than the current patchwork of contracts and subcontracts.

The Division of Family and Economic Security (DFES) has recommended that, regardless of which agency is selected for a region, a single agency always have responsibility for both Shares eligibility determinations and authorization of child care (including determining the applicant's co-payment). If this recommendation is adopted, a non-exhaustive list of possible scenarios includes the following:

- (a) The state contracts with a county to do eligibility determination (a portion of a pot formerly part of the W-2 contract, but the W-2 agency no longer has to arrange a subcontract), authorization (currently part of the county child care admin. contract) and certification (currently part of the county child care admin. contract) for all applicants (W-2 and non-W-2) in a region.
- (b) The state contracts with a W-2 agency to do eligibility determination (as before) but the W-2 agency also receives separate funding to do authorization for those eligible in the counties in its region (currently part of the child care admin. contract). It could

potentially also receive a contract for certification, or the state might contract separately with a CCRR for that function.

- (c) The state contracts with a W-2 agency to do eligibility determination and authorization for its clients, and with a county to perform those functions in the region for Shares applicants not interested in W-2 participation and to perform provider certification in the region.
- (d) The state contracts with a CCRR to perform eligibility, authorization, and provider certification in the region. In addition to its base CCRR contract with DCF, the CCRR would receive additional funding for each additional function (eligibility previously in the W-2 budget and authorization and certification previously in county admin. contracts from the Direct Child Care budget).

Recommendations

1. Create an additional local cost-reporting code and amend 2009 county contracts to collect better information about the actual cost of county certification programs. Complete information would be available in 2010 for use in allocating the amount budgeted for 2011, or if necessary, adjusting it. This would also provide baseline information for a potential later decision about whether it would be more cost-effective to perform the function with additional state staff. (Tribal contracts are issued on a FFY basis that has already begun on October 1; however, since most tribes receive the minimum \$20,000 allocation, receiving information about their certification expenditures would be relatively insignificant compared to receiving it for counties).

2. Create separate budget allocations under s.49.175 for Wisconsin Shares Eligibility Determination Costs, Certification of Child Care Providers, Wisconsin Shares Local Administration, W-2 On-Site Child Care, and Migrant Child Care. Budget the following amounts:

Wisconsin Shares Eligibility Determination

\$3,500,000 for 2009-10 and \$7,000,000 for 2010-11 and thereafter. Funding for the separate allocation would be used for contracts beginning January 1, 2010. [In addition, funding for W-2 Services would be reduced by \$3,000,000, from \$38,471,500/year to \$35,471,300 for fiscal year 2009-11, and by \$6,000,000, from \$38,471,500/year to \$32,471,500 for fiscal year 2010-11 and thereafter to reflect the separate child-care eligibility contracts beginning January 1, 2010].

Certification of Child Care Providers

\$2,200,000 for 2009-10 and \$4,450,000 for 2010-11 and thereafter to fund calendar-year contracts of approximately (depending on the treatment of tribal contracts) \$4,400,000 for 2010 and \$4,500,000 for 2011 and thereafter. [Note, while this is on the low-end of the possible current state cost of certification, it seems likely to be sufficient since contracts would likely be allocated to agencies that would also have other related contracts, such as contracts for Wisconsin Shares Eligibility Determination and Local Administration, and/or Child Care Resource and Referral Services.]

Wisconsin Shares Local Administration

~~\$13,929,900 for 2009-10 and \$12,282,200 for 2010-11 and thereafter. These amounts are premised on the DECE-recommended funding level for CY 2009, a 3% increase in the county funding "base" for CY 2010, less \$4,400,000 to reflect separate budgeting for certification beginning 2010, and a \$17,000,000 combined funding level for traditional county admin. functions in 2011, less \$4,500,000 that would be budgeted separately for certification as proposed above. [Note, if the DFES recommendation is accepted, these funds would be allocated to the same agencies receiving contracts for eligibility determination.]~~

W-2 On-Site Child Care

~~\$2,448,900 for 2009-10 and \$2,537,500 for 2010-11, which would fund 50% of the DECE-recommendation for 2009 (\$2,397,800) \$2,500,00 for 2010, and \$2,575,000 (a 3% increase) for 2011.~~

Migrant Child Care

~~\$557,000 for 2009-10 and \$573,500 for 2010-11 and thereafter (approximately 3% annual increases).~~

- * 3. Modify current law at s.49.155 (1m) to provide that eligibility for a child care subsidy under the section shall be determined by the county, W-2 agency, child day care resource and referral agency, or other agency with which the department has contracted to determine eligibility for persons residing in a particular geographic area or tribal unit.
- * 4. Modify current law at s.49.155 (3) and (6) [county responsibilities] to re-title (3) "Child Care Local Administration" and to provide that the same agency that determines eligibility for a child care subsidy under the section shall do all of the following:
- a. Determine an individual's [co-payment] liability under sub. (5). [current law]
 - b. Determine and authorize the amount of child care for which a subsidy under this section is needed. [re-phrasing of current-law provision for providing "vouchers" for care]
 - c. Perform an annual survey of market child care rates as directed by the department and determine maximum reimbursement rates if directed by the department.
 - d. Assist individuals who are eligible for child care subsidies under this section to identify available child care providers and select appropriate child care arrangements. [current law]
 - e. At intervals or as otherwise required by the department, review and re-determine the continuing financial and non-financial eligibility of individuals receiving a child care subsidy under this section. [currently allowed use of administrative funds]
- * 5. Modify current law at s.49.155 (3m) (b) to provide that the department may contract with any person to perform the responsibilities above and shall ensure that every agency with which it contracts to perform eligibility under s.49.155 (1m) receives a contract for the Wisconsin Shares Local Administration under sub. (3). Delete both current-law references to five percent of the funds "distributed" and instead provide that the department shall, to the extent practicable, allocate the funds in the new statutory allocation for Wisconsin Shares Local Administration to contracts in the same proportion as the service region's proportionate share of all statewide subsidy authorizations and eligibility re-determinations performed in the previous calendar year. Notwithstanding this provision, the contracts shall provide a

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minimum of \$20,000 to perform the responsibilities above in each county or tribal unit comprising a service region for a year, and if the department elects to renew a contract for a subsequent year, the amount of the subsequent contract shall not be less than 95% of the previous year's contract unless the service area is not comparable or unless total funding available for all contracts under sub. (3) is lower than the total amount available in the previous year. Within any annual contract, the department may redistribute unexpended contract balances for individual agencies to other agencies that report expenditures in excess of their original contract total for the year.



6. Modify current law at s.48.651 [certification of day care providers] to retain the possibility that a county would continue to be mandated to provide certification but eliminate the mandate in the event the department contracts with another entity for the function: “The department may contract with any person to certify, according to the standards adopted by the department under s.49.155 (1d), each day care provider in a defined geographic region or tribal unit that is approved to receive authorizations by child care administrative agencies under s.49.155 (3) for payment of child care subsidies, except a day care center licensed under s.49.65 or a provider established or contracted for under s.120.13 (14). Unless the department has contracted with another entity for day care certification services for the county, each Each county department shall certify, according to the standards adopted by the department under s.49.155 (1d), each day care provider [for whom it authorizes a payment on behalf of a person eligible under s. 49.155], except a day care center licensed under s.49.65 or a provider established or contracted for under s.120.13 (14). Each county may charge a fee to cover the costs of certification for providers it certifies under this section. If the department contracts with another person for certification of day care providers under this section, that person or agency may collect a fee specified by the department to supplement or offset the amount provided under the department's contract for certification services.

Appendix 1
County or Subcontract/number of Providers

<u>Agency Name</u>	<u>Subcontract</u>	<u>Number of providers (11/3/08)</u>
CCR&R of Central Wisconsin-Adams	Yes	11
Ashland County HSD	No	40
Barron County DSS	No	44
Bayfield County DHS	No	18
Brown County Human Services	No	61
Buffalo County DSS	No	24
Burnett County DHHS	No	24
Calumet County DHS	No	17
Chippewa County DHS	No	35
Clark County DSS	No	12
Community Coord Child Care (4-C)-Dane (Columbia County contract)	Yes	7
Crawford County HSD	No	23
Community Coord Child Care (4-C)-Dane (Dane County contract)	Yes	309
Dodge County DH&HS	No	24
Door County DSS	No	7
Douglas County DH&HS	No	43
Dunn County Economic Support	No	7
Eau Claire DHS	No	100
Project Bridges/Florence	Yes	1
Fond du Lac County Job Ctr	No	25
Forest County DSS	No	41
Grant County DSS	No	44
Green County HS	No	17
Green Lake County HSD	No	5
Iowa County DSS	No	24
Iron County HSD	No	15
Jackson County DH&HS	No	18
Workforce Dev Ctr of Jefferson Cty	No	14
Workforce Connections, Inc/Juneau	Yes	11
Community Impact Program/Kenosha	Yes	131
Kewaunee County Dept of Human Services	No	4
Family Resources/La Crosse	Yes	180
Lafayette County HS & Job Ctr	No	12
Langlade County DSS	No	17
Lincoln County DSS	No	28
Manitowoc County Job Ctr	No	11
Marathon Cty DSS	No	160
Wi Job Ctr/Marinette Cty	No	9

Mid Wisconsin CCR&R/Marquette	Yes	3
Milwaukee Cty HS	No	452
Workforce Connections, Inc/Monroe	Yes	39
Oconto County DHS	No	36
Oneida County DSS	No	12
Child Care R&R, Inc, Outagamie	Yes	47
Ozaukee County DSS	No	7
Pepin County DHS	No	9
Pierce County DHS	No	19
Polk County DSS	No	36
Mid Wisconsin CCRR/Portage	Yes	28
Price County HSD	No	33
Racine Co Workforce Dev. Ctr	No	288
Richland County DHSS	No	36
Rock Co Job Center	No	42
Rusk County DHHS	No	31
St. Croix County DHHS	No	28
Children Service Society/Sauk	Yes	20
Sawyer County DHS	No	24
Shawano County DSS	No	29
Sheboygan Co Job Ctr	No	45
Taylor County HSD	No	15
Trempealeau County DSS	No	54
Vernon County DHS	No	24
Vilas County DSS	No	5
CCR&R of South Central WI/Walworth	Yes	22
Washburn County HSD	No	34
Washington County DSS	No	17
Waukesha County DHHS	No	39
Waupaca County DHHS	No	9
Mid Wisconsin CCRR/Waushara	Yes	7
Winnebago County DHS	No	28
Wood County DSS	No	132
Menominee County HSD	No	16
Red Cliff Child Care Dept	No	19
Stockbridge Munsee Tribe	No	16
Forest Co. Potawatomi Tribe	No	9
Lac du Flambeau Social Services	No	12
Bad River DSS	No	38
Sokaogon Tribe ES Office	No	15
Oneida Tribe Ctr	No	3
Lac Courte Oreilles Tribal Gvmt	No	36
St. Croix Tribe Fam Service Ctr	contract pending	
		3387

Appendix 2
COUNTY AND TRIBAL CERTIFICATION FEES 2007

County/Tribe	Certification Fee Amount	# of providers
ADAMS COUNTY	\$20.00	11
ASHLAND COUNTY	\$50.00	40
BARRON COUNTY		44
BAYFIELD COUNTY		18
BROWN COUNTY	\$50.00	61
BUFFALO COUNTY		24
BURNETT COUNTY		24
CALUMET COUNTY	\$75.00	17
CHIPPEWA COUNTY	\$75.00	35
CLARK COUNTY	\$15.00	12
COLUMBIA COUNTY	\$50.00	7
CRAWFORD COUNTY		23
DANE COUNTY	\$50.00	309
DODGE COUNTY	\$25.00	24
DOOR COUNTY		7
DOUGLAS COUNTY	\$30.00	43
DUNN COUNTY		7
EAU CLAIRE COUNTY	\$40.00	100
FLORENCE COUNTY		1
FOND DU LAC COUNTY	\$50.00	25
FOREST COUNTY		41
GRANT COUNTY	\$20.00	44
GREEN COUNTY	\$5.00	17
GREEN LAKE COUNTY	\$75.00	5
IOWA COUNTY		24
IRON COUNTY		15
JACKSON COUNTY	\$25.00	18
JEFFERSON COUNTY	\$40.00	14
JUNEAU COUNTY	\$50.00	11
KENOSHA COUNTY		131
KEWAUNEE COUNTY		4
LA CROSSE COUNTY	\$75.00	180
LAFAYETTE COUNTY	\$50.00	12
LANGLADE COUNTY	\$25.00	17
LINCOLN COUNTY		28
MANITOWOC COUNTY	\$75.00	11
MARATHON COUNTY	\$75.00	160
MARINETTE COUNTY	\$50.00	9
MARQUETTE COUNTY	\$50.00	3
MILWAUKEE COUNTY	\$98.00	452

MONROE COUNTY	\$50.00	39
OCONTO COUNTY		36
ONEIDA COUNTY		12
OUTAGAMIE COUNTY	\$75.00	47
OZAUKEE COUNTY	\$80.00	7
PEPIN COUNTY	\$40.00	9
PIERCE COUNTY	\$90.00	19
POLK COUNTY	\$25.00	36
PORTAGE COUNTY	\$45.00	28
PRICE COUNTY	\$35.00	33
RACINE COUNTY	\$35.00	288
RICHLAND COUNTY	\$10.00	36
ROCK COUNTY	\$50.00	42
RUSK COUNTY		31
ST. CROIX COUNTY		28
SAUK COUNTY	\$50.00	20
SAWYER COUNTY	\$25.00	24
SHAWANO COUNTY		29
SHEBOYGAN COUNTY	\$75.00	45
TAYLOR COUNTY	\$25.00	15
TREMPEALEAU COUNTY	\$25.00	54
VERNON COUNTY		24
VILAS COUNTY	\$75.00	5
WALWORTH COUNTY		22
WASHBURN COUNTY	\$20.00	34
WASHINGTON COUNTY	\$50.00	17
WAUKESHA COUNTY		39
WAUPACA COUNTY	\$75.00	9
WAUSHARA COUNTY		7
WINNEBAGO COUNTY	\$75.00	28
WOOD COUNTY	\$35.00	132
MENOMINEE COUNTY		16
RED CLIFF TRIBE		19
STOCKBRIDGE-MUNSEE TRIBE		16
Potawatomi		9
LAC DU FLAMBEAU TRIBE		12
BAD RIVER TRIBE		38
SOKAOGON TRIBE		15
ONEIDA TRIBAL COUNCIL		3
LAC COURTES OREILLES TRIBE	\$25.00	36
		3387

APPENDIX 3
2008 COUNTY AND TRIBAL CC Admin. CONTRACTS

Agency	Agency No.	2008 Contract Issuance (Based on 2007 Initial Allocations)
Adams	1	\$20,000
Ashland	2	36,173
Barron	3	40,804
Bayfield	4	20,000
Brown	5	409,000
Buffalo	6	20,000
Burnett	7	20,000
Calumet	8	45,440
Chippewa	9	102,221
Clark	10	20,000
Columbia	11	53,723
Crawford	12	20,000
Dane	13	1,255,030
Dodge	14	112,722
Door	15	31,863
Douglas	16	76,756
Dunn	17	20,000
Eau Claire	18	213,935
Florence	19	20,000
Fond du Lac	20	104,284
Forest	21	20,000
Grant	22	30,737
Green	23	45,971
Green Lake	24	20,000
Iowa	25	20,000
Iron	26	20,000
Jackson	27	20,000
Jefferson	28	59,364
Juneau	29	20,000
Kenosha	30	587,950
Kewaunee	31	20,000
LaCrosse	32	187,999
Lafayette	33	20,000
Langlade	34	28,492
Lincoln	35	32,199
Manitowoc	36	65,289
Marathon	37	216,324
Marinette	38	21,144
Marquette	39	20,000
Milwaukee	40	8,591,831
Monroe	41	42,323

Oconto	42	51,917
Oneida	43	50,115
Outagamie	44	235,183
Ozaukee	45	92,492
Pepin	46	20,000
Pierce	47	32,220
Polk	48	31,571
Portage	49	96,000
Price	50	20,000
Racine	51	497,925
Richland	52	20,000
Rock	53	338,353
Rusk	54	20,000
St Croix	55	44,684
Sauk	56	50,165
Sawyer	57	42,192
Shawano	58	42,647
Sheboygan	59	94,315
Taylor	60	20,000
Trempealeau	61	38,774
Vernon	62	20,000
Vilas	63	20,000
Walworth	64	61,684
Washburn	65	20,000
Washington	66	152,777
Waukesha	67	427,718
Waupaca	68	36,612
Waushara	69	20,000
Winnebago	70	287,829
Wood	71	118,531
Menominee	72	20,000
County Total		\$15,755,278
Bad River	CT	\$20,000
Lac Courte Orielles	3T	20,000
Lac du Flambeau	4T	20,000
Oneida Tribe	6T	39,101
Forest Co		
Potawatomi	7T	20,000
Red Cliff	8T	20,000
Sokaogon	9T	20,000
St. Croix	AT	20,000
Stockbridge Munsee	BT	20,000
Tribe Total		\$199,101
Statewide Total		\$15,954,379

Appendix 4: Certification Options Summary

Option 1: Remove the county mandate to perform certification and hire state staff for the Bureau of Early Care and Regulation to perform it.

Pros:

1. Licensing staff are well trained on regulatory aspects.
2. The background check rules are identical for both regulatory agencies.
3. There is a potential saving of resources when certification and licensed providers are screened by the same agency.
4. The application of the rules would be more consistent statewide.

Cons:

1. County, tribal, and child care resource and referral agencies would be resistant to losing this function and staff.
2. County unions could be opposed to this initiative.
3. In the long run, the cost of staff will likely not be a cost savings compared to county staff, although complete baseline cost information for the certification program does not exist.

Option 2: Eliminate the county certification mandate and stop contracting with tribes. Instead, provide in law that DCF shall contract with Child Care Resource and Referral Agencies for certification.

Pros:

1. CCRR staff will have an early-childhood background and certification would likely be done by staff specializing in child-care, rather than multiple economic-support programs.
2. This option may cost less than hiring state staff and avoids creating additional state FTE.
3. Thirteen counties already contract this function to CCRRs.

Cons:

1. Unlike the state or counties, most of the CCRRs do not have access to legal services. This is because their funding is limited and the agencies cannot afford legal help. This can be very problematic when a provider appeals a revocation/denial decision. The number of appeals is increasing because of AFSCME representation of certified providers. As a result, additional state legal staff may be required.
2. Some county and tribal agencies may resist losing this function and staff.

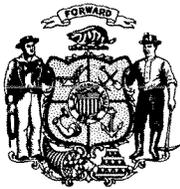
Option 3: Create geographic child care certification regions and select contractors through the W-2 RFP or a similar process. Allow public, non-profit, or private bidders to "bid," potentially fostering new public-private partnerships.

Pros:

1. It may be an opportunity to leverage private foundation support.
2. CCRRs, counties, and W-2 agencies could bid for the function in an area. It will allow the counties the opportunity to continue to do certification using experienced employees.
3. If the child care (Wisconsin Shares) eligibility function is also bid separately as a part of the W-2 RFP process, this may be particularly attractive to CCRRs and counties interested in taking on enhanced roles in administering all facets of Wisconsin Shares.

Cons:

1. No clear down-side to soliciting proposals, though success in attracting foundation support for an ongoing government regulatory function is unknown. The mandate for counties could be maintained "unless the state has contracted" with another entity.



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-1389/?
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DOA:.....Grimsrud, BB0363 - Wisconsin Shares local administration
FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

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1 AN ACT...; relating to: the budget.

Analysis by the Legislative Reference Bureau
HEALTH AND HUMAN SERVICES ✓

CHILDREN ✓

Under current law, a child care provider, other than a day care center licensed by DCF or established or contracted by a school board, must be certified by a county department of human services or social services before the child care provider may receive reimbursement for child care services provided to a family that is eligible for a child care subsidy under the Wisconsin Works (W-2) program. This bill permits DCF to contract with a W-2 agency, child care resource and referral agency, or other agency to certify child care providers in a particular geographic area or for a particular tribal unit for purposes of reimbursement under the W-2 program.

WISCONSIN WORKS ✓

The Wisconsin Works (W-2) program under current law, which is administered by DCF, provides work experience and benefits for low-income custodial parents who are at least 18 years old. Also, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, may receive a child care subsidy under W-2 if the individual needs child care services to participate in various educational or work activities and satisfies other eligibility criteria. Under current law, W-2 agencies determine an individual's eligibility for a child care subsidy and then refer the individual to a county department of social services or

human services for locally administering child care assistance, including determining the amount of the copayment the individual must pay, providing a voucher for payment of child care services, and assisting individuals to identify child care providers and select appropriate child care arrangements. The bill authorizes DCF to contract with a county, W-2 agency, child day care resource and referral agency, or other agency to determine eligibility of individuals residing in a particular geographic area or who are members of a particular tribal unit for a child care subsidy and to administer child care assistance at the local level. Current law also provides that the cost to administer the program may not exceed the greatest of five percent of the total distributed in the current year for child care services, five percent of the total distributed in the previous year for child care services, or \$20,000. The bill modifies this so that the department must allocate at least \$20,000 per year to each contract for administrative responsibilities in each county or tribal unit that is a service region.

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For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 48.651 (1) (intro.) of the statutes is amended to read:

48.651 (1) (intro.) Each county department shall certify ~~No person, other than~~ a day care center licensed under s. 48.65 or established or contracted for under s. 120.13 (14), may receive reimbursement for providing child care services for an individual who is determined eligible for a child care subsidy under s. 49.155 unless the person is certified, according to the standards adopted by the department under s. 49.155 (1d), each day care provider reimbursed for child care services provided to families determined eligible under s. 49.155, unless the provider is a day care center licensed under s. 48.65 or is established or contracted for under s. 120.13 (14). Each county may charge a fee to cover the costs of certification by a county department or ~~an entity~~ with which the department contracts under sub. (2). To be certified under this section, a person must meet the minimum requirements for certification established by the department under s. 49.155 (1d), meet the requirements specified

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1 in s. 48.685, and pay the fee specified in ~~this section~~. The county sub. (2). A county
2 department or ~~entity~~ contracted with under sub. (2) shall certify the following
3 categories of day care providers:

History: 1983 a. 193; 1985 a. 176; 1995 a. 289, 404; 1997 a. 27, 35, 252; 1999 a. 9; 2001 a. 16; 2007 a. 20 ss. 1332 to 1335, 9121 (6) (a).

4 **SECTION 2.** 48.651 (1) (a) of the statutes is amended to read:

5 48.651 (1) (a) Level I certified family day care providers, as established by the
6 department under s. 49.155 (1d). No county or entity contracted with under sub. (2)
7 may certify a provider under this paragraph if the provider is a relative of all of the
8 children for whom he or she provides care.

History: 1983 a. 193; 1985 a. 176; 1995 a. 289, 404; 1997 a. 27, 35, 252; 1999 a. 9; 2001 a. 16; 2007 a. 20 ss. 1332 to 1335, 9121 (6) (a).

9 **SECTION 3.** 48.651 (2) of the statutes is created to read:

10 48.651 (2) A county department shall certify day care providers under sub. (1)
11 or the department may contract with a Wisconsin Works agency, as defined in s.
12 49.001 (9), child care resource and referral agency, or other agency to certify day care
13 providers under sub. (1) in a particular geographic area or for a particular tribal unit.
14 A county department that certifies day care providers under sub. (1) may charge a
15 fee to cover the costs of certifying those providers. An entity contracted with under
16 this subsection may charge a fee specified by the department to supplement the
17 amount provided by the department under the contract for certifying day care
18 providers.

19 **SECTION 4.** 48.651 (2m) of the statutes is amended to read:

20 48.651 (2m) Each county department or entity contracted with under sub. (2)
21 shall provide the department of health services with information about each person
22 who is denied certification for a reason specified in s. 48.685 (4m) (a) 1. to 5.

History: 1983 a. 193; 1985 a. 176; 1995 a. 289, 404; 1997 a. 27, 35, 252; 1999 a. 9; 2001 a. 16; 2007 a. 20 ss. 1332 to 1335, 9121 (6) (a).

23 **SECTION 5.** 49.155 (1m) (intro.) of the statutes is amended to read:

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1 49.155 (1m) ELIGIBILITY. (intro.) ~~A Wisconsin works agency shall determine~~
 2 ~~eligibility for a~~ The department shall contract with a county, Wisconsin Works
 3 agency, child day care resource and referral agency, or other agency to determine the
 4 eligibility of individuals residing in a particular geographic area or who are members
 5 of a particular ^{Indian} tribal unit for child care subsidy subsidies under this section. Under
 6 this section, an individual may receive a subsidy for child care for a child who has
 7 not attained the age of 13 or, if the child is disabled, who has not attained the age of
 8 19, if the individual meets all of the following conditions:

History: 1995 a. 289; 1997 a. 27, s. 1766 to 1775, 1838 to 1857; 1997 a. 41, 105, 237, 252; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25, 165; 2007 a. 20.

SECTION 6. 49.155 (1m) (a) 4. of the statutes is amended to read:

10 49.155 (1m) (a) 4. If the ~~Wisconsin works agency~~ entity determining eligibility
 11 determines that basic education would facilitate the individual's efforts to maintain
 12 employment, participate in basic education, including an English as a 2nd language
 13 course; literacy tutoring; or a course of study meeting the standards established by
 14 the state superintendent of public instruction under s. 115.29 (4) for the granting of
 15 a declaration of equivalency of high school graduation. An individual may receive
 16 aid under this subdivision for up to 2 years.

History: 1995 a. 289; 1997 a. 27, s. 1766 to 1775, 1838 to 1857; 1997 a. 41, 105, 237, 252; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25, 165; 2007 a. 20.

SECTION 7. 49.155 (1m) (a) 5. of the statutes is amended to read:

18 49.155 (1m) (a) 5. Participate in a course of study at a technical college, or
 19 participate in educational courses that provide an employment skill, as determined
 20 by the department, if the ~~Wisconsin works agency~~ entity determining eligibility
 21 determines that the course or courses would facilitate the individual's efforts to
 22 maintain employment. An individual may receive aid under this subdivision for up
 23 to 2 years.

History: 1995 a. 289; 1997 a. 27, s. 1766 to 1775, 1838 to 1857; 1997 a. 41, 105, 237, 252; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25, 165; 2007 a. 20.

SECTION 8. 49.155 (1m) (c) 1. (intro.) of the statutes is amended to read:

1 49.155 (1m) (c) 1. (intro.) Except as provided in subds. 1g., 1h., 1m., 2., and 3.,
2 the gross income of the individual's family is at or below 185% of the poverty line for
3 a family the size of the individual's family or, for an individual who is already
4 receiving a child care subsidy under this section, the gross income of the individual's
5 family is at or below 200% of the poverty line for a family the size of the individual's
6 family. In calculating the gross income of the family, the ~~Wisconsin works agency~~
7 entity determining eligibility shall include income described under s. 49.145 (3) (b)
8 1. and 3., except that, in calculating farm and self-employment income, the
9 ~~Wisconsin works agency~~ entity determining eligibility shall include the sum of the
10 following:

11 History: 1995 a. 289; 1997 a. 27, s. 1766 to 1775, 1838 to 1857; 1997 a. 41, 105, 237, 252; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25, 165; 2007 a. 20.

11 **SECTION 9.** 49.155 (1m) (c) 1g. of the statutes is amended to read: x

12 49.155 (1m) (c) 1g. If the individual is a foster parent of the child or a subsidized
13 guardian or interim caretaker of the child under s. 48.62 (5), the child's biological or
14 adoptive family has a gross income that is at or below 200% of the poverty line. In
15 calculating the gross income of the child's biological or adoptive family, the ~~Wisconsin~~
16 ~~works agency~~ entity determining eligibility shall include income described under s.
17 49.145 (3) (b) 1. and 3. x

18 History: 1995 a. 289; 1997 a. 27, s. 1766 to 1775, 1838 to 1857; 1997 a. 41, 105, 237, 252; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25, 165; 2007 a. 20.

18 **SECTION 10.** 49.155 (1m) (c) 1h. of the statutes is amended to read: x

19 49.155 (1m) (c) 1h. If the individual is a relative of the child, is providing care
20 for the child under a court order, and is receiving payments under s. 48.57 (3m) or
21 (3n) on behalf of the child, the child's biological or adoptive family has a gross income
22 that is at or below 200% of the poverty line. In calculating the gross income of the

1 child's biological or adoptive family, the ~~Wisconsin works agency~~ entity determining
2 eligibility shall include income described under s. 49.145 (3) (b) 1. and 3.

3 History: 1995 a. 289; 1997 a. 27, s. 1766 to 1775, 1838 to 1857; 1997 a. 41, 105, 237, 252; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25, 165; 2007 a. 20.

3 **SECTION 11.** 49.155 (3) of the statutes is repealed and recreated to read:

4 49.155 (3) CHILD CARE LOCAL ADMINISTRATION. The entity with which the
5 department contracts under sub. (1m) to determine eligibility in a particular
6 geographic area or for a particular ^{Indian} tribal unit shall administer child care assistance
7 in that geographic area or for that tribal unit. In administering child care assistance
8 under this section, the entity shall do all of the following:

9 (a) Determine an individual's liability for copayments under sub. (5).

10 (b) Determine and authorize the amount of child care for which an individual
11 may receive a subsidy.

12 (c) Annually perform a survey of market child care rates, as directed by the
13 department, and determine maximum reimbursement rates, if the department so
14 directs.

15 (d) Assist individuals who are eligible for child care subsidies under this section
16 to identify available child care providers and select appropriate child care
17 arrangements.

18 (e) At intervals, or as otherwise required by the department, review and
19 determine the continued financial and nonfinancial eligibility of individuals
20 receiving child care subsidies under this section.

21 **SECTION 12.** 49.155 (3m) (b) of the statutes is repealed and recreated to read:

22 49.155 (3m) (b) 1. Subject to subds. 2. and 3., the department shall, to the
23 extent practicable, allocate funds to contracts entered into under sub. (1m) for the
24 administration of the program under sub. (3) in the same proportion as the service

1 region's proportionate share of all statewide subsidy authorizations and eligibility
2 determinations performed in the previous year.

3 2. The department shall allocate to each contract at least \$20,000 per year for
4 the administrative responsibilities in each county or tribal unit that comprises a
5 service region.

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6 3. If the department renews a contract for a subsequent year, the department
7 shall allocate to the contract not less 95 percent of the amount allocated to the
8 contract in the previous year, unless the service area is not comparable or total
9 funding available for all contracts is lower than the total amount available in the
10 previous year.

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11 4. The department may redistribute funds allocated to a contract among
12 agencies paid under the contract.

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1 **SECTION 1.** 48.685 (4m) (a) (intro.) of the statutes is amended to read:
2 48.685 (**4m**) (a) (intro.) Notwithstanding s. 111.335, and except as provided in
3 par. (ad) and sub. (5), the department may not license, or continue or renew the
4 license of, a person to operate an entity, a county department or agency contracted
5 with under s. 48.651 (2) may not certify a day care provider under s. 48.651, a county
6 department or a child welfare agency may not license, or renew the license of, a foster
7 home or treatment foster home under s. 48.62, and a school board may not contract
8 with a person under s. 120.13 (14), if the department, county department, contracted
9 agency, child welfare agency, or school board knows or should have known any of the
10 following:

History: 1997 a. 27, 237, 281; 1999 a. 9, 32, 56, 185, 186; 2001 a. 109; 2003 a. 321; 2005 a. 149, 184, 277; 2007 a. 20 ss. 1346 to 1358, 9121 (6) (a); 2007 a. 97, 111, 116, 130, 153.

11 **SECTION 2.** 48.685 (4m) (ad) of the statutes is amended to read:
12 48.685 (**4m**) (ad) The department, a county department, or a child welfare
13 agency may license a foster home or treatment foster home under s. 48.62, a county
14 department or agency contracted with under s. 48.651 (2) may certify a day care
15 provider under s. 48.651, and a school board may contract with a person under s.
16 120.13 (14), conditioned on the receipt of the information specified in sub. (2) (am)
17 indicating that the person is not ineligible to be licensed, certified or contracted with
18 for a reason specified in par. (a) 1. to 5.

History: 1997 a. 27, 237, 281; 1999 a. 9, 32, 56, 185, 186; 2001 a. 109; 2003 a. 321; 2005 a. 149, 184, 277; 2007 a. 20 ss. 1346 to 1358, 9121 (6) (a); 2007 a. 97, 111, 116, 130, 153.

19 **SECTION 3.** 48.685 (5) (a) of the statutes is amended to read:
20 48.685 (**5**) (a) Subject to par. (bm), the department may license to operate an
21 entity, a county department or agency contracted with under s. 48.651 (2) may certify
22 under s. 48.651, a county department or a child welfare agency may license under

1 s. 48.62, and a school board may contract with under s. 120.13 (14) a person who
 2 otherwise may not be licensed, certified, or contracted with for a reason specified in
 3 sub. (4m) (a) 1. to 5., and an entity may employ, contract with, or permit to reside at
 4 the entity a person who otherwise may not be employed, contracted with, or
 5 permitted to reside at the entity for a reason specified in sub. (4m) (b) 1. to 5., if the
 6 person demonstrates to the department, the county department, the contracted
 7 agency, the child welfare agency, or the school board or, in the case of an entity that
 8 is located within the boundaries of a reservation, to the person or body designated
 9 by the tribe under sub. (5d) (a) 3., by clear and convincing evidence and in accordance
 10 with procedures established by the department by rule or by the tribe that he or she
 11 has been rehabilitated.

History: 1997 a. 27, 237, 281; 1999 a. 9, 32, 56, 185, 186; 2001 a. 109; 2003 a. 321; 2005 a. 149, 184, 277; 2007 a. 20 ss. 1346 to 1358, 9121 (6) (a); 2007 a. 97, 111, 116, 130, 153.

12 **SECTION 4.** 48.685 (5m) of the statutes is amended to read:

13 48.685 (5m) Notwithstanding s. 111.335, the department may refuse to license
 14 a person to operate an entity, a county department or a child welfare agency may
 15 refuse to license a foster home or treatment foster home under s. 48.62, and an entity
 16 may refuse to employ or contract with a caregiver or permit a nonclient resident to
 17 reside at the entity if the person has been convicted of an offense that is not a serious
 18 crime, but that is, in the estimation of the department, county department, child
 19 welfare agency, or entity, substantially related to the care of a client.
 20 Notwithstanding s. 111.335, the department may refuse to license a person to
 21 operate a day care center, a county department or agency contracted with under s.
 22 48.651 (2) may refuse to certify a day care provider under s. 48.651, a school board
 23 may refuse to contract with a person under s. 120.13 (14), a day care center that is
 24 licensed under s. 48.65 or established or contracted for under s. 120.13 (14), and a

1 day care provider that is certified under s. 48.651 may refuse to employ or contract
 2 with a caregiver or permit a nonclient resident to reside at the day care center or day
 3 care provider if the person has been convicted of or adjudicated delinquent on or after
 4 his or her 12th birthday for an offense that is not a serious crime, but that is, in the
 5 estimation of the department, county department, contracted agency, school board,
 6 day care center, or day care provider, substantially related to the care of a client.

History: 1997 a. 27, 237, 281; 1999 a. 9, 32, 56, 185, 186; 2001 a. 109; 2003 a. 321; 2005 a. 149, 184, 277; 2007 a. 20 ss. 1346 to 1358, 9121 (6) (a); 2007 a. 97, 111, 116, 130, 153.

7 **SECTION 5.** 48.685 (6) (a) of the statutes is amended to read:

8 48.685 (6) (a) The department shall require any person who applies for
 9 issuance, continuation, or renewal of a license to operate an entity, a county
 10 department or agency contracted with under s. 48.651 (2) shall require any day care
 11 provider who applies for initial certification under s. 48.651 or for renewal of that
 12 certification, a county department or a child welfare agency shall require any person
 13 who applies for issuance or renewal of a license to operate a foster home or treatment
 14 foster home under s. 48.62, and a school board shall require any person who proposes
 15 to contract with the school board under s. 120.13 (14) or to renew a contract under
 16 that subsection, to complete a background information form that is provided by the
 17 department.

History: 1997 a. 27, 237, 281; 1999 a. 9, 32, 56, 185, 186; 2001 a. 109; 2003 a. 321; 2005 a. 149, 184, 277; 2007 a. 20 ss. 1346 to 1358, 9121 (6) (a); 2007 a. 97, 111, 116, 130, 153.

(END OF INSERT)

(INSERT 7-12)

18 **SECTION 6.** 253.15 (4) of the statutes is amended to read:

19 253.15 (4) TRAINING FOR DAY CARE PROVIDERS. Before an individual may obtain
 20 a license to operate a day care center under s. 48.65 for the care and supervision of
 21 children under 5 years of age or enter into a contract to provide a day care program

1 under s. 120.13 (14) for the care and supervision of children under 5 years of age, the
2 individual shall receive training relating to shaken baby syndrome and impacted
3 babies that is approved or provided by the department or that is provided by a
4 nonprofit organization arranged by the department to provide that training. Before
5 an individual may be certified under s. 48.651 as a day care provider of children
6 under 5 years of age, the individual shall receive training relating to shaken baby
7 syndrome and impacted babies that is approved or provided by the certifying county
8 department or agency contracted with under s. 48.651 (2) or that is provided by a
9 nonprofit organization arranged by that county department or contracted agency to
10 provide that training. Before an employee or volunteer of a day care center licensed
11 under s. 48.65, a day care provider certified under s. 48.651, or a day care program
12 established under s. 120.13 (14) may provide care and supervision for children under
13 5 years of age, the employee or volunteer shall receive training relating to shaken
14 baby syndrome and impacted babies that is approved or provided by the department
15 or the certifying county department or agency contracted with under s. 48.651 (2) or
16 that is provided by a nonprofit organization arranged by the department or that
17 county department or contracted agency to provide that training. The person
18 conducting the training shall provide to the individual receiving the training,
19 without cost to the individual, a copy of the written materials purchased or prepared
20 under sub. (2), a presentation of the audiovisual materials purchased or prepared
21 under sub. (2), and an oral explanation of those written and audiovisual materials.

History: 2005 a. 165; 2007 a. 20 ss. 3059 to 3065, 9121 (6) (a); 2007 a. 96; s. 13.92 (2) (i).

(END OF INSERT)

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

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Number 4 of the proposed recommendations said to modify s. 49.155 (3) and (6), but gave no instructions for modifying sub. (6).

Number 5 of the proposed recommendations said to modify s. 49.155 (3m) (b) "to provide that the department may contract with any person to perform the responsibilities above and shall ensure that every agency with which it contracts to perform eligibility under s. 49.155 (1m) receives a contract for the Wisconsin Shares Local Administration under sub. (3)." I don't know what is being referred to by "the responsibilities above." Is it the responsibilities listed in number 4? If so, those are supposed to be performed by the same entities that determine eligibility, according to number 4 of the proposed recommendations.

I did not completely understand the language of number 5 of the proposed recommendations. I wasn't sure what agencies were being referred to, whether a service area is the same thing as a geographic area under s. 49.143 (6), or how the contracts work, so I pretty much just mimicked the proposed language. There seems to be little consistency among the terms used in the recommendations, and the terms are not consistent with the terms currently used in the statutes.

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E-mail: pam.kahler@legis.wisconsin.gov

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Do any changes need to be made to s. 49.155 3m a c
s. 49.155 (3m) (a) or (c)
regarding the responsibilities of county departments
since they no longer have the responsibilities under
s. 49.155 (3)?

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1389/P1dn
PJK:cjs:md

January 15, 2009

Number 4 of the proposed recommendations said to modify s. 49.155 (3) and (6), but gave no instructions for modifying sub. (6).

Number 5 of the proposed recommendations said to modify s. 49.155 (3m) (b) "to provide that the department may contract with any person to perform the responsibilities above and shall ensure that every agency with which it contracts to perform eligibility under s. 49.155 (1m) receives a contract for the Wisconsin Shares Local Administration under sub. (3)." I don't know what is being referred to by "the responsibilities above." Is it the responsibilities listed in number 4? If so, those are supposed to be performed by the same entities that determine eligibility, according to number 4 of the proposed recommendations.

I did not completely understand the language of number 5 of the proposed recommendations. I wasn't sure what agencies were being referred to, whether a service area is the same thing as a geographical area under s. 49.143 (6), or how the contracts work, so I pretty much just mimicked the proposed language. There seems to be little consistency among the terms used in the recommendations, and the terms are not consistent with the terms currently used in the statutes.

Do any changes need to be made to s. 49.155 (3m) (a) or (c) regarding the responsibilities of county departments since they no longer have the responsibilities under s. 49.155 (3)?

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.wisconsin.gov

Malaise, Gordon

From: Malaise, Gordon
Sent: Tuesday, January 27, 2009 3:40 PM
To: Grimsrud, Sarah - DOA
Cc: Kahler, Pam
Subject: FW: LRB1389/1

Sarah:

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From: Grimsrud, Sarah - DOA [mailto:Sarah.Grimrud@wisconsin.gov]
Sent: Tuesday, January 27, 2009 1:46 PM
To: Kahler, Pam
Subject: LRB1389/1

Hi Pam,

Here are my notes and suggested edits for LRB 1389. My brain is a little full right now, so I may be over-thinking things right now:

Section 1 (Page 3, Line 1-2): Under current law, there appears to be a mandate that counties will perform certification functions ("Each county department shall certify..."). Is there a way to continue to mandate that counties will perform certification functions if DCF does not contract with an entity to perform certification functions (DCF could still choose to contract with counties)? If so, please amend the draft accordingly.

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- Section 14 - 16: I would change the references to "the entity" to "the agency" because it is actually different agencies that DCF could possible contract with. This may also clear up your concerns in your drafter's note about the inconsistency of terms.
- In Section 16 (p.9, line 2) change "determine" to "re-determine". The thought here is that initial eligibility determinations would be roughly equal to the number of initial subsidy authorizations.
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Please call me with any questions. I am sorry this email got so long.

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Sarah E. Grimsrud
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49.155(3)(e)??

calendar year

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yr before yr of start?

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al?

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46.215 (1)(p)

if DCF contract

w/co. dept to do so

46.22 (1)(b) 2. fm.

49.143(2)(em)

Kahler, Pam

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