

## 2013 DRAFTING REQUEST

### Bill

Received: **12/21/2012** Received By: **pkahler**  
Wanted: **As time permits** Same as LRB:  
For: **Administration-Budget 6-2288** By/Representing: **Major**  
May Contact: Drafter: **pkahler**  
Subject: **Public Assistance - Wis shares** Addl. Drafters: **fknepp**

Extra Copies:

Submit via email: **YES**  
Requester's email:  
Carbon copy (CC) to: **Fern.Knepp@legis.wisconsin.gov**

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### Pre Topic:

DOA:.....Major, BB0319 -

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### Topic:

Child care parent pay initiative

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### Instructions:

See attached

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### 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 12/26/2012	scalvin 12/27/2012		_____			
/P1	pkahler 1/14/2013		rschluet 1/2/2013	_____	srose 1/2/2013		
/P2	fknepp 2/4/2013	scalvin 1/14/2013	phenry 1/14/2013	_____	mbarman 1/14/2013		State S&L

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/1	pkahler 2/5/2013	scalvin 2/4/2013	jfrantze 2/4/2013	_____	mbarman 2/4/2013		State S&L
/2	pkahler 2/13/2013	jdyer 2/5/2013	rschluet 2/5/2013	_____	mbarman 2/5/2013		State S&L
/3	fknepp 2/13/2013	wjackson 2/13/2013	phenry 2/13/2013	_____	lparisi 2/13/2013		State S&L
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/2	pkahler 2/13/2013	jdye 2/5/2013	rschluet 2/5/2013	_____	mbarman 2/5/2013		State S&L
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/1	pkahler	scalvin	jfrantze		mbarman		State

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	2/5/2013	2/4/2013	2/4/2013	_____	2/4/2013		S&L
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1/3 WJ 2/13

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/1		scalvin	jfrantze <i>2-5-13</i>	_____	mbarman		State

Vers. Drafted

Reviewed  
2/4/2013

Typed  
2/4/2013

Proofed  
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Submitted  
2/4/2013

Jacketed

Required  
S&L

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Extra Copies: -  
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11 SAC  
02/04/2013

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2/4

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FE Sent For:

**<END>**

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Received: 12/21/2012 Received By: pkahler  
Wanted: As time permits Companion to LRB:  
For: Administration-Budget 6-2288 By/Representing: Major  
May Contact: Drafter: pkahler  
Subject: Public Assistance - Wis shares Addl. Drafters:  
Extra Copies:

Submit via email: YES  
Requester's email:  
Carbon copy (CC) to: Fern.Knepp@legis.wisconsin.gov

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FE Sent For:		PA sec 01/14/2013					

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/?	pkahler	12/27/12 /PI SAC	/PI SAC 12/27/12				

FE Sent For:

<END>

**Kahler, Pam**

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**From:** Hanaman, Cathlene  
**Sent:** Friday, December 21, 2012 12:33 PM  
**To:** Kahler, Pam  
**Subject:** FW: Statutory Language Drafting Request - BB0319

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**From:** Malaise, Gordon  
**Sent:** Friday, December 21, 2012 12:31 PM  
**To:** Hanaman, Cathlene; Shea, Elisabeth  
**Subject:** RE: Statutory Language Drafting Request - BB0319

Lis and I do child care regulation under ch. 48. Pam does child care subsidies under ch. 49.

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**From:** Hanaman, Cathlene  
**Sent:** Friday, December 21, 2012 9:45 AM  
**To:** Malaise, Gordon; Shea, Elisabeth  
**Subject:** FW: Statutory Language Drafting Request - BB0319

**From:** [katrina.major@wisconsin.gov](mailto:katrina.major@wisconsin.gov) [<mailto:katrina.major@wisconsin.gov>]  
**Sent:** Thursday, December 20, 2012 5:30 PM  
**To:** Hanaman, Cathlene  
**Cc:** Kraus, Jennifer - DOA; Major, Katrina L - DOA; Thornton, Scott - DOA  
**Subject:** Statutory Language Drafting Request - BB0319

**Biennial Budget:** 2013-15

**DOA Tracking Code:** BB0319

**Topic:** child care parent pay

**SBO Team:** GGCF

**SBO Analyst:** Major, Katrina L - DOA  
**Phone:** 608-266-2288  
**E-mail:** [katrina.major@wisconsin.gov](mailto:katrina.major@wisconsin.gov)

**Agency Acronym:** DCF

**Agency Number:** 437

**Priority:** Medium

**Intent:** Modify the statutes relating to EBT to allow DCF to implement a child care parent pay initiative. Here are a couple of the provisions that we expect at this point: 1) 49.131: Can you please modify the intro phrase to sub 2 to state that it's subject to federal approval under sub 1 if necessary, and eliminate the reference to designating by rule. Also, eliminate sub 3. 2) Repeal 20.437(2)(pv) and (nn). 3) Eliminate the Wisconsin Works agency as the payor in 49.148. 4) Delete 49.155(3m)(c). Also, any other place

?  
not  
child care

where it talks about the provider being reimbursed for child care would be modified to reflect that DCF would provide a set amount monthly to the parent on an EBT card for the parent to use in paying the child care provider.

**Attachments:** False

*Please send completed drafts to [statlanguage@wisapps.wi.gov](mailto:statlanguage@wisapps.wi.gov)*



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0903/  
PJK:.....

PI  
rmyff  
Sac

DOA:.....Major, BB0319 – Child care parent pay initiative ✓

**FOR 2013-2015 BUDGET – NOT READY FOR INTRODUCTION**

D-vote  
(= 12-26)

do not  
you cut

1 AN ACT relating to: the budget.

*Analysis by the Legislative Reference Bureau*  
**HEALTH AND HUMAN SERVICES ✓**

**WISCONSIN WORKS ✓**

This is a preliminary draft. An analysis will be provided in a subsequent version of this draft.

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

- 2 SECTION 1. 20.437 (2) (nn) of the statutes is repealed. ✓
- 3 SECTION 2. 20.437 (2) (pv) of the statutes is repealed. ✓
- 4 SECTION 3. 48.651 (1) (intro.) of the statutes is amended to read: ✓
- 5 48.651 (1) (intro.) No person, other than a child care center licensed under s.
- 6 48.65 or established or contracted for under s. 120.13 (14), may receive
- 7 reimbursement payment for providing child care services for an individual who is

note: bud →

1 determined eligible for a child care subsidy under s. 49.155 unless the person is  
 2 certified, according to the standards adopted by the department under s. 49.155 (1d),  
 3 by the department in a county having a population of 500,000 or more, a county  
 4 department, or an agency with which the department contracts under sub. (2). To  
 5 be certified under this section, a person must meet the minimum requirements for  
 6 certification established by the department under s. 49.155 (1d), meet the  
 7 requirements specified in s. 48.685, and pay the fee specified in sub. (2). The  
 8 department in a county having a population of 500,000 or more, a county  
 9 department, or an agency contracted with under sub. (2) shall certify the following  
 10 categories of child 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); 2009 a. 28, 76, 185; 2011 a. 258.

11 **SECTION 4.** 48.659 of the statutes is amended to read:

12 **48.659 Child care quality rating system.** The department shall provide a  
 13 child care quality rating system that rates the quality of the child care provided by  
 14 a child care provider licensed under s. 48.65 that receives reimbursement payment  
 15 under s. 49.155 for the child care provided or that volunteers for rating under this  
 16 section. The department shall make the rating information provided under that  
 17 system available to the parents, guardians, and legal custodians of children who are  
 18 recipients, or prospective recipients, of care and supervision from a child care  
 19 provider that is rated under this section, including making that information  
 20 available on the department's Internet site.

History: 2009 a. 28.

21 **SECTION 5.** 49.131 (2) of the statutes is amended to read:

22 ~~49.131 (2) If the necessary authorization under sub. (1) is granted, and except~~  
 23 ~~as provided in sub. (3) Subject to receiving any necessary approval from the~~  
 24 appropriate federal agency under sub. (1), the department may implement a

1 program to deliver by an electronic benefit transfer system any benefit that is  
2 administered by the department and that the department designates by rule.

3 History: 2001 a. 16 ss. 1656ug, 1656uh, 1656uv, 1656uw.

SECTION 6. 49.131 (3) of the statutes is repealed.

4 SECTION 7. 49.137 (4) (a) of the statutes is amended to read:

5 49.137 (4) (a) Developing and recommending to the department a system of  
6 higher reimbursement payment rates or a program of grants for child care providers  
7 that meet the quality of care standards established under s. 49.132 (4) (e), 1995 stats.

8 History: 1991 a. 275; 1993 a. 16; 1995 a. 27, 289; 1995 a. 404 ss. 142 to 161; Stats. 1995 s. 49.137; 1997 a. 27, 252; 2001 a. 16; 2005 a. 25; 2007 a. 20; 2009 a. 185.

SECTION 8. 49.143 (2) (ct) of the statutes is repealed.

9 SECTION 9. 49.147 (1) of the statutes is amended to read:

10 49.147 (1) DEFINITION. In this section, “unsubsidized employment” means  
11 employment, including self-employment and entrepreneurial activities, for which  
12 the Wisconsin Works agency provides no wage subsidy to the employer including  
13 self-employment and entrepreneurial activities receives no wage subsidy.

14 History: 1995 a. 289; 1997 a. 27; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25; 2007 a. 20; 2009 a. 28, 333; 2011 a. 32, 257.

SECTION 10. 49.147 (1m) (b) of the statutes is amended to read:

15 49.147 (1m) (b) If the Wisconsin Works agency determines that the appropriate  
16 placement for an individual is in unsubsidized employment or a trial job and that the  
17 individual needs and wishes to pursue basic education, including a course of study  
18 meeting the standards established under s. 115.29 (4) (a) for the granting of a  
19 declaration of equivalency of high school graduation, the Wisconsin Works agency  
20 department or an entity contracting with the department shall pay for the basic  
21 education services identified in the employability plan developed for the individual.

22 History: 1995 a. 289; 1997 a. 27; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25; 2007 a. 20; 2009 a. 28, 333; 2011 a. 32, 257.

SECTION 11. 49.147 (3) (a) of the statutes is amended to read:

1           49.147 (3) (a) *Administration.* A Wisconsin Works agency shall administer a  
2 trial job program as part of its administration of the Wisconsin Works program to  
3 improve the employability of individuals who are not otherwise able to obtain  
4 unsubsidized employment, as determined by the Wisconsin Works agency, by  
5 providing work experience and training to assist them to move promptly into  
6 unsubsidized employment. In determining an appropriate placement for a  
7 participant, a Wisconsin Works agency shall give priority to placement under this  
8 subsection over placements under subs. (4) and (5). ~~The Wisconsin Works agency~~  
9 department or an entity contracting with the department shall pay a wage subsidy  
10 to an employer that employs a participant under this subsection and that agrees to  
11 make a good faith effort to retain the participant as a permanent unsubsidized  
12 employee after the wage subsidy is terminated. The wage subsidy may not exceed  
13 \$300 per month for full-time employment of a participant. For less than full-time  
14 employment of a participant during a month, the wage subsidy may not exceed a  
15 dollar amount determined by multiplying \$300 by a fraction, the numerator of which  
16 is the number of hours worked by the participant in the month and the denominator  
17 of which is the number of hours that would be required for full-time employment in  
18 that month.

History: 1995 a. 289; 1997 a. 27; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25; 2007 a. 20; 2009 a. 28, 333; 2011 a. 32, 257.

19           **SECTION 12.** 49.148 (1) (b) 1. of the statutes is amended to read:

20           49.148 (1) (b) 1. Except as provided in subd. 1m., for a participant in a  
21 community service job under s. 49.147 (4), a monthly grant of \$653, ~~paid by the~~  
22 ~~Wisconsin Works agency.~~ For every hour that the participant misses work or  
23 education or training activities without good cause, the grant amount shall be  
24 reduced by \$5. Good cause shall be determined by the financial and employment

1 planner in accordance with rules promulgated by the department. Good cause shall  
2 include required court appearances for a victim of domestic abuse. If a participant  
3 in a community service job under s. 49.147 (4) is required to work fewer than 30 hours  
4 per week because the participant has unsubsidized employment, as defined in s.  
5 49.147 (1), the grant amount under this paragraph shall equal the amount specified  
6 under subd. 1m. minus \$5 for each hour that the participant misses work or  
7 education or training activities without good cause.

NOTE: NOTE: Subd. 1. is shown as affected by 2011 Wis. Acts 32 and 257 and as merged by the legislative reference bureau under s. 13.92 (2) (i).NOTE:

History: 1995 a. 289; 1997 a. 27; 1999 a. 9; 2009 a. 28; 2011 a. 32, 257; s. 13.92 (2) (i).

8 **SECTION 13.** 49.148 (1) (b) 1m. (intro.) of the statutes is amended to read:

9 49.148 (1) (b) 1m. (intro.) Except as provided in subd. 1., the ~~Wisconsin works~~  
10 agency department or an entity contracting with the department shall pay a  
11 participant in a community service job the following:

History: 1995 a. 289; 1997 a. 27; 1999 a. 9; 2009 a. 28; 2011 a. 32, 257; s. 13.92 (2) (i).

12 **SECTION 14.** 49.148 (1) (b) 3. of the statutes is amended to read:

13 49.148 (1) (b) 3. For a participant in a community service job who participates  
14 in technical college education under s. 49.147 (5m), a monthly grant of \$653, ~~paid by~~  
15 ~~the Wisconsin Works agency.~~ For every hour that the participant misses work or  
16 other required activities without good cause, the grant amount shall be reduced by  
17 \$5. Good cause shall be determined by the financial and employment planner in  
18 accordance with rules promulgated by the department. Good cause shall include  
19 required court appearances for a victim of domestic abuse.

History: 1995 a. 289; 1997 a. 27; 1999 a. 9; 2009 a. 28; 2011 a. 32, 257; s. 13.92 (2) (i).

20 **SECTION 15.** 49.148 (1) (c) of the statutes is amended to read:

21 49.148 (1) (c) *Transitional placements.* For a participant in a transitional  
22 placement under s. 49.147 (5) or in a transitional placement and in technical college  
23 education under s. 49.147 (5m), a grant of \$608, ~~paid monthly by the Wisconsin~~

**SECTION 15**

1 ~~Works agency.~~ For every hour that the participant fails to participate in any required  
2 activity without good cause, including any activity under s. 49.147 (5) (b) 1. a. to d.,  
3 the grant amount shall be reduced by \$5. Good cause shall be determined by the  
4 financial and employment planner in accordance with rules promulgated by the  
5 department. Good cause shall include required court appearances for a victim of  
6 domestic abuse.

History: 1995 a. 289; 1997 a. 27; 1999 a. 9; 2009 a. 28; 2011 a. 32, 257; s. 13.92 (2) (i).

7 **SECTION 16.** 49.155 (3) (c) of the statutes is amended to read:

8 49.155 (3) (c) Annually perform a survey of market child care rates, as directed  
9 by the department, and determine maximum ~~reimbursement~~ payment rates, if the  
10 department so directs.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

11 **SECTION 17.** 49.155 (3m) (a) of the statutes is amended to read:

12 49.155 (3m) (a) The department shall reimburse child care providers or shall  
13 distribute funds to ~~county departments under s. 46.215, 46.22 or 46.23 or tribal~~  
14 ~~governing bodies~~ individuals who are eligible for child care subsidies under this  
15 section to pay for child care services provided under this section and to private  
16 nonprofit agencies that provide child care for children of migrant workers. The  
17 department may reimburse a Wisconsin works agency for child care that the  
18 ~~Wisconsin works agency provides to the children of Wisconsin works participants~~  
19 ~~and applicants~~ use an electronic benefit transfer system under s. 49.131 for  
20 distribution of the funds to individuals.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

21 **SECTION 18.** 49.155 (3m) (c) of the statutes is repealed.

22 **SECTION 19.** 49.155 (6) (a) of the statutes is amended to read:

1           49.155 (6) (a) Subject to review and approval by the department, each county  
2 shall establish the maximum reimbursement payment rate for licensed child care  
3 services provided under this section. A county shall set the rate so that at least 75%  
4 of the number of places for children within the licensed capacity of all child care  
5 providers in that county can be purchased at or below that maximum rate.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

6           **SECTION 20.** 49.155 (6) (b) of the statutes is amended to read:

7           49.155 (6) (b) Subject to review and approval by the department, each county  
8 shall set a maximum reimbursement payment rate for Level I certified family child  
9 care providers for services provided to eligible individuals under this section. The  
10 maximum rate set under this paragraph may not exceed 75% of the rate established  
11 under par. (a).

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

12           **SECTION 21.** 49.155 (6) (c) of the statutes is amended to read:

13           49.155 (6) (c) Subject to review and approval by the department, each county  
14 shall set a maximum reimbursement payment rate for Level II certified family child  
15 care providers for services provided to eligible individuals under this section. The  
16 maximum rate set under this paragraph may not exceed 50% of the rate established  
17 under par. (a).

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

18           **SECTION 22.** 49.155 (6) (cm) of the statutes is amended to read:

19           49.155 (6) (cm) The department shall modify child care provider  
20 reimbursement payment rates established under pars. (a) to (c) so that  
21 reimbursement payment rates are lower for providers of after-school child care.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

22           **SECTION 23.** 49.155 (6) (d) of the statutes is amended to read:

1           49.155 (6) (d) The department may promulgate rules to establish a system of  
2 rates or a program of grants ~~that the department will pay to~~ for child care providers  
3 that meet the higher quality of care standards established by rules promulgated  
4 under sub. (1d) (b). If a system of rates is established under this paragraph, the rates  
5 under that system shall be higher than the rates established under pars. (a) to (c).

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

6           **SECTION 24.** 49.155 (6) (e) 2. of the statutes is amended to read:

7           49.155 (6) (e) 2. Except as provided in subd. 3., the department may not  
8 increase the maximum ~~reimbursement~~ payment rates for child care providers before  
9 June 30, 2013.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

10           **SECTION 25.** 49.155 (6) (e) 3. (intro.) of the statutes is amended to read:

11           49.155 (6) (e) 3. (intro.) Beginning on July 1, ~~2012~~ 2013, the department may  
12 modify a child care provider's ~~reimbursement~~ payment rate under subd. 2. on the  
13 basis of the provider's quality rating, as described in the quality rating plan, in the  
14 following manner:

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

15           **SECTION 26.** 49.155 (6) (e) 3. a. of the statutes is amended to read:

16           49.155 (6) (e) 3. a. For a child care provider who receives a 1-star rating, the  
17 department shall deny ~~reimbursement~~ payment .

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

18           **SECTION 27.** 49.155 (6) (e) 3. b. of the statutes is amended to read:

19           49.155 (6) (e) 3. b. For a child care provider who receives a 2-star rating, the  
20 department may reduce the maximum ~~reimbursement~~ payment rate by up to 5  
21 percent.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

22           **SECTION 28.** 49.155 (6) (e) 3. c. of the statutes is amended to read:

1 49.155 (6) (e) 3. c. For a child care provider who receives a 3-star rating, the  
2 department may pay up to the maximum reimbursement payment rate.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

3 **SECTION 29.** 49.155 (6) (e) 3. d. of the statutes is amended to read:

4 49.155 (6) (e) 3. d. For a child care provider who receives a 4-star rating, the  
5 department may increase the maximum reimbursement payment rate by up to 5  
6 percent.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

7 **SECTION 30.** 49.155 (6) (e) 3. e. of the statutes is amended to read:

8 49.155 (6) (e) 3. e. For a child care provider who receives a 5-star rating, the  
9 department may increase the maximum reimbursement payment rate by up to 10  
10 percent, except that beginning on January 1, 2013, the department may increase the  
11 maximum reimbursement payment rate for such a child care provider by up to 25  
12 percent.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

13 **SECTION 31.** 49.155 (6) (e) 5. of the statutes is amended to read:

14 49.155 (6) (e) 5. For purposes of modifying reimbursement payment rates  
15 under subd. 3., the department shall assign a child care provider that is accredited  
16 from the Council on Accreditation a 4-star rating or 5-star rating, whichever the  
17 department determines is appropriate.

18 ~~Cross-reference: Cross-reference: Cross-reference: See also s. DCF 56.06, Wis. adm. code. Cross-reference:~~

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

19 **SECTION 32.** 49.155 (6d) (a) 3. of the statutes is amended to read:

20 49.155 (6d) (a) 3. Notwithstanding sub. (6), adjust the amount of  
21 reimbursement paid payment to child care providers providing child care services  
22 under this section.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.



1           49.826 (2) (a) 3. Annually perform a survey of market child care rates, as  
2           directed by the department, and determine maximum reimbursement payment  
3           rates, if the department so directs:

4           History: 2009 a. 28, 185; 2011 a. 10.

(END)

*D-note*

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

LRB-0903/2dn

PJK:.....

*PI*  
*Y to not run SEC*

*- date -*

Katie:

This draft modifies the language of Wisconsin Shares (s. 49.155 and related statutes) to accommodate electronically providing subsidies to individuals, who then pay the child care providers, themselves. For the most part, I simply changed "reimbursement rate" to "payment rate." If you want a different concept, let me know.

The draft also modifies other W-2 statutes so that W-2 agencies are not making the payments to participants. In some cases, I simply deleted the reference to the W-2 agency making the payment. In others, I added that the department or an entity contracting with the department makes the payment. There are a few statutes, not included in this draft, that refer to W-2 agencies and payments or benefits, but not explicitly that the W-2 agency is making the payment. Please review these statutes to determine whether they need to be amended: 49.147 (6) (c), 49.148 (4) (a), 49.152 (3) (b), 49.195 (1), 49.32 (9) (a) and (b).

Note that s. 49.147 (3m) and (4m) are not amended in this draft since they are being repealed in LRB-0063. Also note that both LRB-0063 and this draft treat s. 49.147 (3) (a). If both drafts stay in the budget compile, that section will have to be reconciled.

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

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

LRB-0903/P1dn

PJK:sac:rs

January 2, 2013

Katie:

This draft modifies the language of Wisconsin Shares (s. 49.155 and related statutes) to accommodate electronically providing subsidies to individuals, who then pay the child care providers, themselves. For the most part, I simply changed "reimbursement rate" to "payment rate." If you want a different concept, let me know.

The draft also modifies other W-2 statutes so that W-2 agencies are not making the payments to participants. In some cases, I simply deleted the reference to the W-2 agency making the payment. In others, I added that the department or an entity contracting with the department makes the payment. There are a few statutes, not included in this draft, that refer to W-2 agencies and payments or benefits, but not explicitly that the W-2 agency is making the payment. Please review these statutes to determine whether they need to be amended: 49.147 (6) (c), 49.148 (4) (a), 49.152 (3) (b), 49.195 (1), 49.32 (9) (a) and (b).

Note that s. 49.147 (3m) and (4m) are not amended in this draft since they are being repealed in LRB-0063. Also note that both LRB-0063 and this draft treat s. 49.147 (3) (a). If both drafts stay in the budget compile, that section will have to be reconciled.

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

## Kahler, Pam

**From:** Major, Katrina L - DOA <Katrina.Major@wisconsin.gov>  
**Sent:** Wednesday, January 09, 2013 3:04 PM  
**To:** Kahler, Pam  
**Cc:** Kraus, Jennifer - DOA  
**Subject:** RE: Statutory Language Drafting Request - BB0319

Hi Pam,

Here are the rest of the changes that we would like to incorporate into this draft.

✓ Repeal 49.147(6)(b)2 regarding method of job access loan disbursement.

✓ Amend 49.155 (3m)a to eliminate the outdated process (you already did this somewhat in the first draft)...DCF suggested the following: "The department may issue benefits directly to individuals eligible for a subsidy under this section, or may reimburse or pay child care providers, a county department or agency, or tribal governing bodies for child care services under this section. The department may also issue grants to, and contract with, private non-profit agencies providing child care for the children of migrant workers, and the department may pay or reimburse a Wisconsin Works agency for child care that the Wisconsin Works agency provides to the children of Wisconsin Works participants and applicants or arranges to meet immediate, short-term child care needs prior to authorization of a subsidy under sub (1m)."

*is that redundant w/ language above? → are these eligible under 49.155?*

In general, the child care EBT system and related changes will not roll out right away, so DCF would like to amend the language so it can apply to either system.

*ok to keep payment instead of reimb?*

- Change child care copayment language to "difference" between the provider bill and state subsidy instead of percentage and use "payment" instead of "reimbursement". Specifically, in 49.155(5), DCF suggests the following: An individual receiving a subsidy under sub 1m is liable for the difference, if any between the cost of the child care provided by the child care provider or providers selected by the individual and the subsidy amount. Minimum or estimated copayments for different family sizes, income levels, and other factors, shall be specified by the department. An individual who is under the age of 20 and is attending high school or participating in a course of study meeting the standards established under s. 115.29 (4) for the granting of a declaration of equivalency to high school graduation may not be determined liable for more than the minimum copayment amount for the type of child care received and the number of children receiving child care.
- Related to the copayment change, DCF would like to eliminate the phrase notwithstanding sub 5 in s. 49.155(6d)(a)2. Do you have any concerns with this? DCF's rationale is that if they were to implement a higher-than-normal copayment adjustment, it would be a greater liability, not notwithstanding the main section that they are liable for copayments. I just want to make sure that removing that language doesn't affect their ability to require higher copayments. *applies to overriding under 20y-olds*

- ✓
- Change the language about the quality rating plan to simplify it to only what's in effect now in s. 49.155(6)e3. Eliminate the beginning on July 1, 2012 intro, and eliminate the 5-star piece that is in effect before January 1, 2013. *get rid of dates - ok to keep "payment" + keep a. - e.*

I also have some responses to your note on the first one, which I will send shortly.

Thanks,  
Katie

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**From:** Major, Katrina L - DOA  
**Sent:** Friday, December 21, 2012 5:07 PM  
**To:** Kahler, Pam - LEGIS  
**Cc:** Kraus, Jennifer - DOA  
**Subject:** RE: Statutory Language Drafting Request - BB0319

Hi Pam,

Eliminating the W2 agency as the payer is a cleanup thing because under the new contracts that go into effect in January, DCF is paying the benefits directly. Give me a call and we can talk about this in more detail. It's still very much in the development stages, but we were asked to get as much over to you guys as possible.

Thanks,  
Katie  
266-2288

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**From:** Kahler, Pam [<mailto:Pam.Kahler@legis.wisconsin.gov>]  
**Sent:** Friday, December 21, 2012 4:07 PM  
**To:** Major, Katrina L - DOA  
**Subject:** FW: Statutory Language Drafting Request - BB0319

Hi, Katie:

I'm drafting this one. Why do you want to eliminate the W-2 agency as the payer in s. 49.148 (since that's not child care related)? Or do you want to expand the EBT to more than just child care under s. 49.155?

Pam

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**From:** Hanaman, Cathlene  
**Sent:** Friday, December 21, 2012 12:33 PM  
**To:** Kahler, Pam  
**Subject:** FW: Statutory Language Drafting Request - BB0319

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**From:** Malaise, Gordon  
**Sent:** Friday, December 21, 2012 12:31 PM  
**To:** Hanaman, Cathlene; Shea, Elisabeth  
**Subject:** RE: Statutory Language Drafting Request - BB0319

Lis and I do child care regulation under ch. 48. Pam does child care subsidies under ch. 49.

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**From:** Hanaman, Cathlene  
**Sent:** Friday, December 21, 2012 9:45 AM  
**To:** Malaise, Gordon; Shea, Elisabeth  
**Subject:** FW: Statutory Language Drafting Request - BB0319

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**From:** [katrina.major@wisconsin.gov](mailto:katrina.major@wisconsin.gov) [<mailto:katrina.major@wisconsin.gov>]  
**Sent:** Thursday, December 20, 2012 5:30 PM  
**To:** Hanaman, Cathlene  
**Cc:** Kraus, Jennifer - DOA; Major, Katrina L - DOA; Thornton, Scott - DOA  
**Subject:** Statutory Language Drafting Request - BB0319

**Biennial Budget:** 2013-15

**DOA Tracking Code:** BB0319

**Topic:** child care parent pay

**SBO Team:** GGCF

**SBO Analyst:** Major, Katrina L - DOA

**Phone:** 608-266-2288

**E-mail:** [katrina.major@wisconsin.gov](mailto:katrina.major@wisconsin.gov)

**Agency Acronym:** DCF

**Agency Number:** 437

**Priority:** Medium

**Intent:** Modify the statutes relating to EBT to allow DCF to implement a child care parent pay initiative. Here are a couple of the provisions that we expect at this point: 1) 49.131: Can you please modify the intro phrase to sub 2 to state that it's subject to federal approval under sub 1 if necessary, and eliminate the reference to designating by rule. Also, eliminate sub 3. 2) Repeal 20.437(2)(pv) and (nn). 3) Eliminate the Wisconsin Works agency as the payor in 49.148. 4) Delete 49.155(3m)(c). Also, any other place where it talks about the provider being reimbursed for child care would be modified to reflect that DCF would provide a set amount monthly to the parent on an EBT card for the parent to use in paying the child care provider.

**Attachments:** False

*Please send completed drafts to [statlanguage@wisapps.wi.gov](mailto:statlanguage@wisapps.wi.gov)*

## Kahler, Pam

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**From:** Kahler, Pam  
**Sent:** Thursday, January 10, 2013 11:44 AM  
**To:** Major, Katrina L - DOA  
**Subject:** RE: ccpp stat lang

Katie:

In that case, I think I should add "subject to (5) (b) – and split sub. (5) into two parts. That way they can increase copays for everyone, including under 20 somethings, but would still have to make sure they would be paying the minimum. If I didn't say "subject to," the implication would be that if DCF can increase the copay for anyone, perhaps they could increase the copay for an under 20 something to more than the minimum.

---

**From:** Major, Katrina L - DOA [<mailto:Katrina.Major@wisconsin.gov>]  
**Sent:** Thursday, January 10, 2013 11:38 AM  
**To:** Kahler, Pam  
**Cc:** Kraus, Jennifer - DOA  
**Subject:** FW: ccpp stat lang

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**From:** Mansfield, Mark - DCF  
**Sent:** Thursday, January 10, 2013 11:02 AM  
**To:** Major, Katrina L - DOA; Nikolay, Robert A - DCF  
**Cc:** Kraus, Jennifer - DOA  
**Subject:** RE: ccpp stat lang

I'll try to give you a more thoughtful response, but in general, we were not trying to change the meaning, we are trying to clarify that all parties are liable for the copayments in DCF's co-payment schedule, though for some groups that may be the minimum or no copayment. In the event of having to raise co-payments as a cost-saving measure, it is neither "notwithstanding," nor "except as provided," but just that they are liable for a different amount. However, that's just a quick reaction. I don't recall specifically what the provision is on the "20-somethings," so need to review, except to say we were trying to maintain current law on that.

---

**From:** Major, Katrina L - DOA  
**Sent:** Thursday, January 10, 2013 10:57 AM  
**To:** Mansfield, Mark - DCF; Nikolay, Robert A - DCF  
**Cc:** Kraus, Jennifer - DOA  
**Subject:** ccpp stat lang

Hi Mark, another question on this. See the drafter's note that I copied below. I read the paper to mean that you were thinking the notwithstanding phrase didn't add anything, not that you were trying to change the meaning, so I asked Pam if deleting it accomplished that. She sent back the following. What is your intent here? Thanks

Katie:

Regarding not saying "notwithstanding sub. (5)" in s. 49.155 (6d) (a) 2.: It depends on DCF's intention, and I don't know what that is. If they want to comply with the part about individuals who are under 20 and *not* raise their copays – then it should say "except as provided in sub. (5)" – and I could separate sub. (5) into two parts and only refer to the part about the under 20 somethings – so that it would be "except as provided in sub. (5) (b)." If they want to override the part about the under 20 somethings, then it should say "notwithstanding sub.

(5)." If they want to both comply with the part about the under 20 somethings and raise copays so that the under 20 somethings are paying higher copays but still the minimum amount for the type of provider and number of children, then I will separate sub. (5) into two parts and it should say "subject to sub. (5) (b)."

Pam

## Kahler, Pam

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**From:** Major, Katrina L - DOA <Katrina.Major@wisconsin.gov>  
**Sent:** Friday, January 11, 2013 5:37 PM  
**To:** Kahler, Pam  
**Cc:** Kraus, Jennifer - DOA  
**Subject:** RE: ccpp

That shall/or version sounds good to me (as you suggest below). Thanks

---

**From:** Kahler, Pam [<mailto:Pam.Kahler@legis.wisconsin.gov>]  
**Sent:** Friday, January 11, 2013 5:29 PM  
**To:** Major, Katrina L - DOA  
**Subject:** FW: ccpp

To clarify, I changed s. 49.155 (3m) (a) to read: "The dept. may issue benefits directly to individuals ... or pay or reimburse child care providers, county departments or agencies, etc." We could keep the "shall" and DCF could do either.

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**From:** Kahler, Pam  
**Sent:** Friday, January 11, 2013 5:18 PM  
**To:** Major, Katrina L - DOA  
**Subject:** RE: ccpp

Katie, I wondered why they felt the need to change "shall" to "may" in s. 49.155 (3m) (a). Since all of the options are separated by "or" they could keep "shall" and they would have to do only at least one of the items in the list. That's simpler. They could still keep the "may," though in the "may also contract and provide grants to private nonprofit agencies that provide child care for children of migrant workers."

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**From:** Major, Katrina L - DOA [<mailto:Katrina.Major@wisconsin.gov>]  
**Sent:** Friday, January 11, 2013 5:01 PM  
**To:** Kahler, Pam; Knepp, Fern  
**Cc:** Kraus, Jennifer - DOA  
**Subject:** ccpp

Hi Pam (and Fern—you are copied because of the portion in green that's an overlap on this draft and your draft dealing with noncustodial parents),  
Here's some more follow-up on the ccpp draft.

First, relating to the list of statutes in your drafter's note:

- 1) 49.147(6)c: This is an overlap with the NCP draft that Fern is doing, but DCF suggested the following provision which replaces the distribution term. *Funding and administration. From the appropriations under 2jL and md, the department shall allocate funds for job access loans to Wisconsin Works agencies which shall administer the loans in accordance with rules promulgated by the department.*
- 2) 49.148(4)(a): I think this is okay as is.
- 3) 49.152(3)(b): I think this is okay as is.
- 4) 49.195(1): I think this is okay as is.
- 5) 49.32(9)a and b: I think this is okay as is.

DCF took a look at those, and I think the idea is that the Wisconsin Works agencies are still administering the program, DCF is just paying the benefits.

Next, other items:

- 1) In 49.155(3m)a, I sent you language that DCF suggested, but I am concerned about their change from shall to may. What they are trying to do with that change is allow themselves to reimburse providers up until the time the new system is implemented and they will give the parents a card loaded with the money. Could you do some language like "The department shall reimburse providers..., unless they have implemented an EBT system in which case they shall instead issue the benefits directly to individuals..."

I still owe you an answer on the notwithstanding item; I think we need to figure out some more on copayments before we get you an answer on that.

Thanks,  
Katie



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0903/B  
PJK:sac:ms

*revision*

DOA:.....Major, BB0319 - Child care parent pay initiative

**FOR 2013-2015 BUDGET - NOT READY FOR INTRODUCTION**

*(w-11-14)*

*do not  
get cut*

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

*Analysis by the Legislative Reference Bureau*  
**HEALTH AND HUMAN SERVICES**

**WISCONSIN WORKS**

This is a preliminary draft. An analysis will be provided in a subsequent version of this draft.

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

2 SECTION 1. 20.437 (2) (nn) of the statutes is repealed.

\*\*\*\*NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

3 SECTION 2. 20.437 (2) (pv) of the statutes is repealed.

4 SECTION 3. 48.651 (1) (intro.) of the statutes is amended to read:

5 48.651 (1) (intro.) No person, other than a child care center licensed under s.

6 48.65 or established or contracted for under s. 120.13 (14), may receive

*Insert A*

1 reimbursement payment for providing child care services for an individual who is  
2 determined eligible for a child care subsidy under s. 49.155 unless the person is  
3 certified, according to the standards adopted by the department under s. 49.155 (1d),  
4 by the department in a county having a population of 500,000 or more, a county  
5 department, or an agency with which the department contracts under sub. (2). To  
6 be certified under this section, a person must meet the minimum requirements for  
7 certification established by the department under s. 49.155 (1d), meet the  
8 requirements specified in s. 48.685, and pay the fee specified in sub. (2). The  
9 department in a county having a population of 500,000 or more, a county  
10 department, or an agency contracted with under sub. (2) shall certify the following  
11 categories of child care providers:

12 **SECTION 4.** 48.659 of the statutes is amended to read:

13 **48.659 Child care quality rating system.** The department shall provide a  
14 child care quality rating system that rates the quality of the child care provided by  
15 a child care provider licensed under s. 48.65 that receives reimbursement payment  
16 under s. 49.155 for the child care provided or that volunteers for rating under this  
17 section. The department shall make the rating information provided under that  
18 system available to the parents, guardians, and legal custodians of children who are  
19 recipients, or prospective recipients, of care and supervision from a child care  
20 provider that is rated under this section, including making that information  
21 available on the department's Internet site.

22 **SECTION 5.** 49.131 (2) of the statutes is amended to read:

23 49.131 (2) ~~If the necessary authorization under sub. (1) is granted, and except~~  
24 ~~as provided in sub. (3)~~ Subject to receiving any necessary approval from the  
25 appropriate federal agency under sub. (1), the department may implement a

1 program to deliver by an electronic benefit transfer system any benefit that is  
2 administered by the department ~~and that the department designates by rule.~~

3 **SECTION 6.** 49.131 (3) of the statutes is repealed.

4 **SECTION 7.** 49.137 (4) (a) of the statutes is amended to read:

5 49.137 (4) (a) Developing and recommending to the department a system of  
6 higher ~~reimbursement~~ payment rates or a program of grants for child care providers  
7 that meet the quality of care standards established under s. 49.132 (4) (e), 1995 stats.

8 **SECTION 8.** 49.143 (2) (ct) of the statutes is repealed.

9 **SECTION 9.** 49.147 (1) of the statutes is amended to read:

10 49.147 (1) DEFINITION. In this section, “unsubsidized employment” means  
11 employment, including self-employment and entrepreneurial activities, for which  
12 the ~~Wisconsin Works agency provides no wage subsidy to the employer including~~  
13 ~~self-employment and entrepreneurial activities~~ receives no wage subsidy.

14 **SECTION 10.** 49.147 (1m) (b) of the statutes is amended to read:

15 49.147 (1m) (b) If the Wisconsin Works agency determines that the appropriate  
16 placement for an individual is in unsubsidized employment or a trial job and that the  
17 individual needs and wishes to pursue basic education, including a course of study  
18 meeting the standards established under s. 115.29 (4) (a) for the granting of a  
19 declaration of equivalency of high school graduation, the ~~Wisconsin Works agency~~  
20 department or an entity contracting with the department shall pay for the basic  
21 education services identified in the employability plan developed for the individual.

22 **SECTION 11.** 49.147 (3) (a) of the statutes is amended to read:

23 49.147 (3) (a) *Administration.* A Wisconsin Works agency shall administer a  
24 trial job program as part of its administration of the Wisconsin Works program to  
25 improve the employability of individuals who are not otherwise able to obtain

1 unsubsidized employment, as determined by the Wisconsin Works agency, by  
 2 providing work experience and training to assist them to move promptly into  
 3 unsubsidized employment. In determining an appropriate placement for a  
 4 participant, a Wisconsin Works agency shall give priority to placement under this  
 5 subsection over placements under subs. (4) and (5). ~~The Wisconsin Works agency~~  
 6 department or an entity contracting with the department shall pay a wage subsidy  
 7 to an employer that employs a participant under this subsection and that agrees to  
 8 make a good faith effort to retain the participant as a permanent unsubsidized  
 9 employee after the wage subsidy is terminated. The wage subsidy may not exceed  
 10 \$300 per month for full-time employment of a participant. For less than full-time  
 11 employment of a participant during a month, the wage subsidy may not exceed a  
 12 dollar amount determined by multiplying \$300 by a fraction, the numerator of which  
 13 is the number of hours worked by the participant in the month and the denominator  
 14 of which is the number of hours that would be required for full-time employment in  
 15 that month.

Insert 4-15

SECTION 12. 49.148 (1) (b) 1. of the statutes is amended to read:

16 49.148 (1) (b) 1. Except as provided in subd. 1m., for a participant in a  
 17 community service job under s. 49.147 (4), a monthly grant of \$653, ~~paid by the~~  
 18 ~~Wisconsin Works agency.~~ For every hour that the participant misses work or  
 19 education or training activities without good cause, the grant amount shall be  
 20 reduced by \$5. Good cause shall be determined by the financial and employment  
 21 planner in accordance with rules promulgated by the department. Good cause shall  
 22 include required court appearances for a victim of domestic abuse. If a participant  
 23 in a community service job under s. 49.147 (4) is required to work fewer than 30 hours  
 24 per week because the participant has unsubsidized employment, as defined in s.  
 25

1 49.147 (1), the grant amount under this paragraph shall equal the amount specified  
2 under subd. 1m. minus \$5 for each hour that the participant misses work or  
3 education or training activities without good cause.

4 **SECTION 13.** 49.148 (1) (b) 1m. (intro.) of the statutes is amended to read:

5 49.148 (1) (b) 1m. (intro.) Except as provided in subd. 1., the ~~Wisconsin works~~  
6 agency department or an entity contracting with the department shall pay a  
7 participant in a community service job the following:

8 **SECTION 14.** 49.148 (1) (b) 3. of the statutes is amended to read:

9 49.148 (1) (b) 3. For a participant in a community service job who participates  
10 in technical college education under s. 49.147 (5m), a monthly grant of \$653, ~~paid by~~  
11 ~~the Wisconsin Works agency.~~ For every hour that the participant misses work or  
12 other required activities without good cause, the grant amount shall be reduced by  
13 \$5. Good cause shall be determined by the financial and employment planner in  
14 accordance with rules promulgated by the department. Good cause shall include  
15 required court appearances for a victim of domestic abuse.

16 **SECTION 15.** 49.148 (1) (c) of the statutes is amended to read:

17 49.148 (1) (c) *Transitional placements.* For a participant in a transitional  
18 placement under s. 49.147 (5) or in a transitional placement and in technical college  
19 education under s. 49.147 (5m), a grant of \$608, ~~paid monthly by the Wisconsin~~  
20 ~~Works agency.~~ For every hour that the participant fails to participate in any required  
21 activity without good cause, including any activity under s. 49.147 (5) (b) 1. a. to d.,  
22 the grant amount shall be reduced by \$5. Good cause shall be determined by the  
23 financial and employment planner in accordance with rules promulgated by the  
24 department. Good cause shall include required court appearances for a victim of  
25 domestic abuse.

1 SECTION 16. 49.155 (3) (c) of the statutes is amended to read:

2 49.155 (3) (c) Annually perform a survey of market child care rates, as directed  
3 by the department, and determine maximum reimbursement payment rates, if the  
4 department so directs.

5 SECTION 17. 49.155 (3m) (a) of the statutes is amended to read:

6 49.155 (3m) (a) The department shall reimburse child care providers or shall  
7 distribute funds to ~~county departments under s. 46.215, 46.22 or 46.23 or tribal~~  
8 ~~governing bodies~~ individuals who are eligible for child care subsidies under this  
9 section to pay for child care services provided under this section and to private  
10 nonprofit agencies that provide child care for children of migrant workers. The  
11 department may reimburse a Wisconsin works agency for child care that the  
12 Wisconsin works agency provides to the children of Wisconsin works participants  
13 and applicants use an electronic benefit transfer system under s. 49.131 for  
14 distribution of the funds to individuals.

15 SECTION 18. 49.155 (3m) (c) of the statutes is repealed.

16 SECTION 19. 49.155 (6) (a) of the statutes is amended to read:

17 49.155 (6) (a) Subject to review and approval by the department, each county  
18 shall establish the maximum reimbursement payment rate for licensed child care  
19 services provided under this section. A county shall set the rate so that at least 75%  
20 of the number of places for children within the licensed capacity of all child care  
21 providers in that county can be purchased at or below that maximum rate.

22 SECTION 20. 49.155 (6) (b) of the statutes is amended to read:

23 49.155 (6) (b) Subject to review and approval by the department, each county  
24 shall set a maximum reimbursement payment rate for Level I certified family child  
25 care providers for services provided to eligible individuals under this section. The

Insert 6-14

Insert 6-15

9

1 maximum rate set under this paragraph may not exceed 75% of the rate established  
2 under par. (a).

3 SECTION 21. 49.155 (6) (c) of the statutes is amended to read:

4 49.155 (6) (c) Subject to review and approval by the department, each county  
5 shall set a maximum reimbursement payment rate for Level II certified family child  
6 care providers for services provided to eligible individuals under this section. The  
7 maximum rate set under this paragraph may not exceed 50% of the rate established  
8 under par. (a).

9 SECTION 22. 49.155 (6) (cm) of the statutes is amended to read:

10 49.155 (6) (cm) The department shall modify child care provider  
11 reimbursement payment rates established under pars. (a) to (c) so that  
12 reimbursement payment rates are lower for providers of after-school child care.

13 SECTION 23. 49.155 (6) (d) of the statutes is amended to read:

14 49.155 (6) (d) The department may promulgate rules to establish a system of  
15 rates or a program of grants ~~that the department will pay to~~ for child care providers  
16 that meet the higher quality of care standards established by rules promulgated  
17 under sub. (1d) (b). If a system of rates is established under this paragraph, the rates  
18 under that system shall be higher than the rates established under pars. (a) to (c).

19 SECTION 24. 49.155 (6) (e) 2. of the statutes is amended to read:

20 49.155 (6) (e) 2. Except as provided in subd. 3., the department may not  
21 increase the maximum reimbursement payment rates for child care providers before  
22 June 30, 2013.

23 SECTION 25. 49.155 (6) (e) 3. (intro.) of the statutes is amended to read:

24 49.155 (6) (e) 3. (intro.) ~~Beginning on July 1, 2012~~ 2013, ~~the~~ The department may  
25 modify a child care provider's reimbursement payment rate under subd. 2. on the

Insert 7-22

1 basis of the provider's quality rating, as described in the quality rating plan, in the  
2 following manner:

3 SECTION 26. 49.155 (6) (e) 3. a. of the statutes is amended to read:

4 49.155 (6) (e) 3. a. For a child care provider who receives a 1-star rating, the  
5 department shall deny reimbursement payment.

6 SECTION 27. 49.155 (6) (e) 3. b. of the statutes is amended to read:

7 49.155 (6) (e) 3. b. For a child care provider who receives a 2-star rating, the  
8 department may reduce the maximum reimbursement payment rate by up to 5  
9 percent.

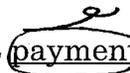
10 SECTION 28. 49.155 (6) (e) 3. c. of the statutes is amended to read:

11 49.155 (6) (e) 3. c. For a child care provider who receives a 3-star rating, the  
12 department may pay up to the maximum reimbursement payment rate.

13 SECTION 29. 49.155 (6) (e) 3. d. of the statutes is amended to read:

14 49.155 (6) (e) 3. d. For a child care provider who receives a 4-star rating, the  
15 department may increase the maximum reimbursement payment rate by up to 5  
16 percent.

17 SECTION 30. 49.155 (6) (e) 3. e. of the statutes is amended to read:

18 49.155 (6) (e) 3. e. For a child care provider who receives a 5-star rating, ~~the~~   
19 ~~department may increase the maximum reimbursement~~ payment ~~rate by up to 10~~  
20 ~~percent, except that beginning on January 1, 2013,~~  the department may increase the  
21 maximum reimbursement payment rate for such a child care provider by up to 25  
22 percent.

23 SECTION 31. 49.155 (6) (e) 5. of the statutes is amended to read:

24 49.155 (6) (e) 5. For purposes of modifying reimbursement payment rates  
25 under subd. 3., the department shall assign a child care provider that is accredited

Insert 9-2

1 from the Council on Accreditation a 4-star rating or 5-star rating, whichever the  
2 department determines is appropriate.

3 SECTION 32. 49.155 (6d) (a) 3. of the statutes is amended to read:

4 49.155 (6d) (a) 3. Notwithstanding sub. (6), adjust the amount of  
5 reimbursement paid payment to child care providers providing child care services  
6 under this section.

7 SECTION 33. 49.155 (6g) (am) (intro.) of the statutes is amended to read:

8 49.155 (6g) (am) (intro.) If reimbursement payment to a child care provider is  
9 based on authorized hours of child care, the department shall do all of the following  
10 with respect to establishing and adjusting the number of authorized hours per child:

11 SECTION 34. 49.155 (7) (title) of the statutes is amended to read:

12 49.155 (7) (title) REFUSAL TO PAY OF PAYMENT TO CHILD CARE PROVIDERS.

13 SECTION 35. 49.155 (7) (a) 1. of the statutes is amended to read:

14 49.155 (7) (a) 1. If a child care provider is convicted of a serious crime, as defined  
15 in s. 48.685 (1) (c) 3m., or if a caregiver specified in s. 48.685 (1) (ag) 1. a. or a nonclient  
16 resident, as defined in s. 48.685 (1) (bm), of the child care provider is convicted or  
17 adjudicated delinquent for committing a serious crime on or after his or her 12th  
18 birthday, the department or the county department under s. 46.215, 46.22, or 46.23  
19 shall refuse to pay allow payment to the child care provider for any child care  
20 provided under this section beginning on the date of the conviction or delinquency  
21 adjudication.

22 SECTION 36. 49.155 (7) (b) (intro.) of the statutes is amended to read:

23 49.155 (7) (b) (intro.) The department or the county department under s.  
24 46.215, 46.22, or 46.23 may refuse to pay allow payment to a child care provider for  
25 child care provided under this section if any of the following applies to the child care

1 provider or to a caregiver specified in s. 48.685 (1) (ag) 1. a. or nonclient resident, as  
2 defined in s. 48.685 (1) (bm), of the child care provider:

3 **SECTION 37.** 49.826 (2) (a) 3. of the statutes is amended to read:

4 49.826 (2) (a) 3. Annually perform a survey of market child care rates, as  
5 directed by the department, and determine maximum reimbursement payment  
6 rates, if the department so directs.

7 (END)

**2013-2014 DRAFTING INSERT**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0903/P2ins  
PJK:.....

**INSERT A**

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, who needs child care services to participate in various educational or work activities, and who satisfies other eligibility criteria may receive a child care subsidy for child care services under the W-2 program. This child care subsidy program is known as Wisconsin Shares. Current law provides that DCF distributes the subsidies by reimbursing child care providers or distributing funds to county departments or tribal governing bodies for child care services provided under Wisconsin Shares and to private nonprofit agencies that provide child care for children of migrant workers. Individuals receiving child care subsidies under Wisconsin Shares must pay a copayment for the child care, which is a percentage of the cost of the child care, as specified by DCF in a printed copayment schedule.

This bill provides that, in addition to the ways in which DCF may distribute child care subsidy funds under current law, DCF may issue benefits directly to individuals who are eligible for the subsidies. The bill also changes the copayments that eligible individuals must pay for child care to the difference between the cost of the child care provided by the provider selected by the individual and the subsidy amount. DCF is required to specify minimum or estimated copayment amounts based on family size, income level, and other factors.

(END OF INSERT A)

FE-SL →

**INSERT 4-15**

1            <sup>x</sup>  
**SECTION 1.** 49.147 (6) (b) 2. of the statutes is repealed.

2            <sup>x</sup>  
**SECTION 2.** 49.147 (6) (c) of the statutes is amended to read:

3            49.147 (6) (c) *Distribution Funding and administration.* From the  
4            ~~appropriation appropriations~~ under s. 20.437 (2) (jL) and (md), the department shall  
5            ~~distribute~~ allocate funds for job access loans to a Wisconsin Works ~~agency~~ agencies,  
6            which shall administer the loans in accordance with rules promulgated by the  
7            department.

**History:** 1995 a. 289; 1997 a. 27; 1999 a. 9; 2001 a. 16; 2003 a. 33; 2005 a. 25; 2007 a. 20; 2009 a. 28, 333; 2011 a. 32, 257.

(END OF INSERT 4-15)

**INSERT 6-14**



*ins 6-14 cont'd*

1           49.155 (3m) (a) The department shall issue benefits directly to individuals who  
2           are eligible for subsidies under this section or pay or reimburse child care providers  
3           ~~or shall distribute funds to county departments under s. 46.215, 46.22 or 46.23,~~  
4           county departments or agencies, or tribal governing bodies for child care services  
5           provided under this section and, The department may also contract with and provide  
6           grants to private nonprofit agencies that provide child care for children of migrant  
7           workers. The department may pay or reimburse a Wisconsin works Works agency  
8           for child care that the Wisconsin works Works agency provides to the children of  
9           Wisconsin works Works participants and or applicants who are not eligible for  
10           subsidies under this section or that the Wisconsin Works agency arranges for  
11           immediate, short-term child care needs before an individual is determined eligible  
12           for a child care subsidy under this section.

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; 2009 a. 28, 76, 77, 185; 2011 a. 32, 120, 158, 202.

\*\*\*\*NOTE: Is "before an individual is determined eligible for a child care subsidy under this section" the same as "prior to authorization of a subsidy under sub. (1m)"?

\*\*\*\*NOTE: Since a W-2 agency is included in the definition of "county department or agency," to avoid a possibly confusing redundancy between the first sentence and the last sentence I added that the W-2 participants or applicants were not eligible for a subsidy. However, if the W-2 participants or applicants are eligible for a subsidy, then the last sentence can be amended to address only arranging for child care needs of individuals before they are eligible for a subsidy.

(END OF INSERT 6-14)

INSERT 6-15

13           **SECTION 3.** 49.155 (5) of the statutes is renumbered 49.155 (5) (a) and amended  
14           to read:

15           49.155 (5) (a) An individual receiving a subsidy under this section is liable for  
16           the percentage of difference, if any, between the cost of the child care specified by the  
17           department in a printed copayment schedule. An provided by the child care provider  
18           or providers selected by the individual and the subsidy amount. The department



*Ins 6-15 cont'd*

1 shall specify minimum or estimated copayment amounts based on family size,  
2 income level, and other factors.

\*\*\*\*NOTE: Since the amount of copayment is simply the difference between the actual cost and the subsidy amount, is DCF providing "minimum or estimated" amounts simply for informational purposes? If so, it might be better to limit the language to "estimated amounts." Saying "minimum amount" is confusing since there really is no required minimum payment. It's just the difference, if any.

\*

3 (b) An individual who is under the age of 20 and is attending high school or  
4 participating in a course of study meeting the standards established under s. 115.29  
5 (4) for the granting of a declaration of equivalency to high school graduation may not  
6 be determined liable for more than the minimum copayment amount for the type of  
7 child care received and the number of children receiving child care.

8 Cross-reference: Cross-reference: Cross-reference: See also s. DCF 56.08, Wis. adm. code. Cross-reference:  
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; 2009 a. 28, 76,  
77, 185; 2011 a. 32, 120, 158, 202.

(END OF INSERT 6-15)

INSERT 7-22

\*\*\*\*NOTE: Do you want to repeal or amend the subdivision above since it will be obsolete as is after the budget passes?

(END OF INSERT 7-22)

INSERT 9-2

9 **SECTION 4.** 49.155<sup>x</sup> (6d) (a) 2. of the statutes is amended to read:  
10 49.155 **(6d)** (a) 2. ~~Notwithstanding~~ Subject to sub. (5) (b), increase the  
11 copayment amount that an individual must pay toward the cost of child care received  
12 under this section.

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; 2009 a. 28, 76,  
77, 185; 2011 a. 32, 120, 158, 202.

(END OF INSERT 9-2)

## Kahler, Pam

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**From:** Major, Katrina L - DOA <Katrina.Major@wisconsin.gov>  
**Sent:** Monday, February 04, 2013 9:18 AM  
**To:** Kahler, Pam  
**Cc:** Kraus, Jennifer - DOA  
**Subject:** 0903

Hi Pam,

Here are a couple revisions on the child care parent pay draft:

- 1) Can you please delete the changes to sections 10 and 11?
- 2) Is it possible to move the changes in Section 13 for the Job Access Loans to the NCP draft that Fern is doing 0963?
- 3) Can you please reconcile the draft with 0423...many of the provisions overlap?
- 4) In Section 21, can you say the printed schedule will be available on DCF's website and in printed form?
- 5) Explanation from DCF in response to your notes:

"SECTION 19. Up through line 9 is consistent with our proposed language/intent. After that, we'd proposed maintaining the current-law reference to "participants and applicants" and concept for what has historically been termed W-2 "on-site" care, but were recognizing that once an applicant is a "W-2 participant" they have a Shares authorization; however, the W-2 agency may also have an arrangement or subcontract for care that may not be on site. We think that when thinking about care for "applicants" (before the W-2/Shares eligibility has been determined), this should be for "immediate, short-term child care needs prior to authorization of a subsidy under sub. (1m). it doesn't seem necessary to insert a reference to persons "not eligible for a subsidy under this section," although a small subset of those in "applicant" status may ultimately be determined ineligible.

In answer to the first drafter's note, "Is 'before an individual is determined eligible for a child care subsidy under this section' the same as 'prior to authorization of a subsidy under sub. (1m)?'" I would say no. There has been inconsistency in references used in the section that are intended to refer to Shares subsidies. Similarly, although this draft generally uses "under this section," as synonymous with the program of paying child-care subsidies to providers on behalf of individuals eligible for a subsidy under sub. (1m), s.49.155 actually authorizes some other types of child care subsidies. Notably under this very provision it authorizes the separate contract for child care services for migrant workers, and the authority to pay W-2 agencies for the care they provide directly--historically done as an add-on to the W-2 contract allocations. These are both forms of direct child care services and child care subsidies, but they are different than the program for which an individual is determined eligible at 185% FPK because they need child care for activities that may be W-2, unsubsidized employment, etc. Therefore, similar to the issue of whether it is clear to the reader that "county department or agency" includes "W-2 agency," because of the context here, describing 3 different forms of child care subsidies under the section, I think it is helpful to be more specific in distinguishing which the reference is to.

In answer to the second drafter's note, although the drafter is correct that the term "county department or agency" as defined in s.49.155 includes a W-2 agency, in this case, the context seems to require different treatment depending on the meaning. Her first use of county departments or agencies (line 5) is fine because it is consistent with the intent (general). But the part starting on line 9 depends on the distinguishing W-2 agencies from other types (e.g., non-profits providing care to migrant workers). The current law provision for reimbursing W-2 agencies for child care they provide to W-2 applicants and participants applies only to W-2 agencies, not counties (unless they hypothetically happened to also be a W-2 agency, which was true in the past but not the current contract).

The reference to care to "participants and applicants" who are not eligible, is not logical. W-2 participants are eligible, and the eligibility status of an applicant has not yet been determined. The issue is service to applicants and participants in W-2, not Shares applicants (notwithstanding that Shares is technically part of W-2). The W-2 agencies are not responsible for arranging for care for those only applying for a Shares child care subsidy while they're in pre-applicant status. W-2 participants are eligible for a subsidy under s.49.155 (1m). See s.49.155 (1m) (a) 3., 4., and 5. Applicants are not eligible for a subsidy under those provisions (by definition, their eligibility has yet to be determined), but they

are in a sense "eligible"/"authorized to be served by" the W-2 agency under s.49.155 (3m) (a), which provides for other types of direct child care services.

Can we drop the reference to persons who are not eligible and revise to read (beginning line 8), "The department may pay or reimburse a Wisconsin Works agency for child care that the Wisconsin Works agency provides to the children of Wisconsin Works participants and applicants or arranges to meet immediate, short-term child care needs of participants prior to authorization of a subsidy under sub. (1m)."

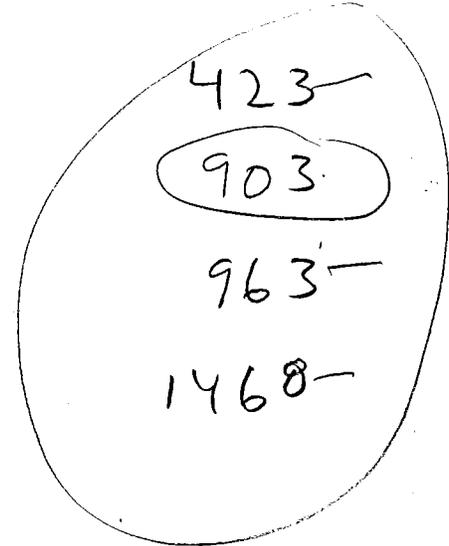
If the individual is a W-2 participant, it implies they have been determined eligible. If they are participating in W-2 they have also been determined eligible for Shares. However, this is recognizing there could be a short time lag between confirmation of their W-2 eligibility and steps required to complete the child care authorization (this process includes such things as selecting a provider able to take them, figuring out how many hours will be authorized, and the participant's co-payment responsibility). And these "arrangements" that the W-2 agency may make with a child care provider, essentially contracting for slots, are different than the scenario of a W-2 agency providing the care itself or hiring someone to provide care at the same location as the W-2 agency (on site care). The choice of "participants and applicants" (current law) or "participants or applicants" (this draft) is somewhat arbitrary but we were favoring current law and that avoids successive "or"s. One could possibly change the order to be more sequential, "applicants and participants."

**Kahler, Pam**

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**From:** Major, Katrina L - DOA <Katrina.Major@wisconsin.gov>  
**Sent:** Monday, February 04, 2013 11:33 AM  
**To:** Kahler, Pam  
**Cc:** Kraus, Jennifer - DOA  
**Subject:** reconciliation

Hi Pam, reconciling them all into one draft would be great, thanks. k



423—  
903—  
963—  
1468—