



provider's quality rating under the quality rating plan known as YoungStar. Current law allows DCF to increase the maximum rate for a provider who receives a four-star rating under YoungStar by up to 5 percent. Under this bill, DCF determines the maximum rates for child care services under Wisconsin Shares. This bill also authorizes DCF to increase the maximum rate for a child care provider who receives a four-star rating under YoungStar by up to 10 percent beginning January 1, 2014.

3. Under current law, 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. The bill 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.

4. This bill changes the services and benefits that certain noncustodial parents are eligible to receive under the W-2 program. Under the bill, if a noncustodial parent of a child is required to pay child support and the custodial parent of the child is a participant in the W-2 program or is eligible to receive a child care subsidy for the child under Wisconsin Shares, the noncustodial parent is eligible to receive the following services and benefits under the W-2 program:

- a. Job search assistance and case management services.
- b. A monetary stipend for up to four months.
- c. Work experience in one trial employment match program job.

5. Under the bill, any noncustodial parent who is ineligible for a job access loan solely because the individual is not a custodial parent is eligible to receive a job access loan, which is a loan provided under the W-2 program to enable an individual to obtain or continue employment.

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

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

1           **SECTION 1.** 20.437 (2) (nn) of the statutes is repealed.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

2           **SECTION 2.** 20.437 (2) (pv) of the statutes is repealed.

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

4           48.651 (1) (intro.) No person, other than a child care center licensed under s.  
5 48.65 or established or contracted for under s. 120.13 (14), may receive  
6 reimbursement payment for providing child care services for an individual who is



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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:

Budget note per Wendy

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.

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 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 (3) (e) of the statutes is created to read:

15 49.147 (3) (e) *Noncustodial parents*. Notwithstanding s. 49.145 (1) and (2) (a),  
16 an individual who would be eligible for a job under this subsection except that the  
17 individual is a noncustodial parent of a dependent child is eligible for placement  
18 under this subsection if the individual is eligible for services and benefits under s.  
19 49.159 (1) (a).

20 SECTION 11. 49.147 (6) (b) 2. of the statutes is repealed.

21 SECTION 12. 49.147 (6) (c) of the statutes is amended to read:

22 49.147 (6) (c) *Distribution Funding and administration*. From the  
23 appropriation appropriations under s. 20.437 (2) (jL) and (md), the department shall  
24 distribute allocate funds for job access loans to a Wisconsin Works agency agencies,

1 which shall administer the loans in accordance with rules promulgated by the  
2 department.

3 **SECTION 13.** 49.147 (6) (e) of the statutes is created to read:

4 49.147 (6) (e) *Noncustodial parents.* Notwithstanding s. 49.145 (1) and (2) (a),  
5 an individual who would be eligible for a job access loan under par. (a) except that  
6 the individual is a noncustodial parent of a dependent child is eligible to receive a job  
7 access loan under this subsection.

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

9 49.148 (1) (b) 1. Except as provided in subd. 1m., for a participant in a  
10 community service job under s. 49.147 (4), a monthly grant of \$653, paid by the  
11 ~~Wisconsin Works~~ agency. For every hour that the participant misses work or  
12 education or training activities without good cause, the grant amount shall be  
13 reduced by \$5. Good cause shall be determined by the financial and employment  
14 planner in accordance with rules promulgated by the department. Good cause shall  
15 include required court appearances for a victim of domestic abuse. If a participant  
16 in a community service job under s. 49.147 (4) is required to work fewer than 30 hours  
17 per week because the participant has unsubsidized employment, as defined in s.  
18 49.147 (1), the grant amount under this paragraph shall equal the amount specified  
19 under subd. 1m. minus \$5 for each hour that the participant misses work or  
20 education or training activities without good cause.

21 **SECTION 15.** 49.148 (1) (b) 1m. (intro.) of the statutes is amended to read:

22 49.148 (1) (b) 1m. (intro.) Except as provided in subd. 1., the ~~Wisconsin works~~  
23 agency department or an entity contracting with the department shall pay a  
24 participant in a community service job the following:

25 **SECTION 16.** 49.148 (1) (b) 3. of the statutes is amended to read:

**SECTION 16**

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

8           **SECTION 17.** 49.148 (1) (c) of the statutes is amended to read:

9           49.148 (1) (c) *Transitional placements.* For a participant in a transitional  
10 placement under s. 49.147 (5) or in a transitional placement and in technical college  
11 education under s. 49.147 (5m), a monthly grant of \$608, ~~paid monthly by the~~  
12 ~~Wisconsin Works agency.~~ For every hour that the participant fails to participate in  
13 any required activity without good cause, including any activity under s. 49.147 (5)  
14 (b) 1. a. to d., the grant amount shall be reduced by \$5. Good cause shall be  
15 determined by the financial and employment planner in accordance with rules  
16 promulgated by the department. Good cause shall include required court  
17 appearances for a victim of domestic abuse.

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

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

20           49.155 (3m) (a) The department shall issue benefits directly to individuals who  
21 are eligible for subsidies under this section or pay or reimburse child care providers  
22 or shall distribute funds to county departments under s. 46.215, 46.22 or 46.23,  
23 county departments or agencies, or tribal governing bodies for child care services  
24 provided under this section and. The department may also contract with and provide  
25 grants to private nonprofit agencies that provide child care for children of migrant

1 workers. The department may pay or reimburse a Wisconsin works Works agency  
2 for child care that the Wisconsin works Works agency provides to the children of  
3 Wisconsin works Works participants and applicants or that the Wisconsin Works  
4 agency arranges to meet immediate, short-term child care needs of participants  
5 prior to authorization of a subsidy under sub. (1m).

6 **SECTION 20.** 49.155 (3m) (c) of the statutes is repealed.

7 **SECTION 21.** 49.155 (5) of the statutes is renumbered 49.155 (5) (a) and  
8 amended to read:

9 49.155 (5) (a) An individual receiving a subsidy under this section is liable for  
10 the percentage of difference, if any, between the cost of the child care specified by the  
11 department in a printed copayment schedule. An provided by the child care provider  
12 or providers selected by the individual and the subsidy amount. The department  
13 shall specify minimum or estimated copayment amounts based on family size,  
14 income level, and other factors, a schedule of which will be available in electronic  
15 form on the department's Internet site and in paper form.

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

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

22 49.155 (6) (a) ~~Subject to review and approval by the~~ The department, each  
23 county shall establish the maximum reimbursement rate payment rates for licensed  
24 child care services provided under this section. ~~A county~~ The department shall set  
25 the rate rates so that at least 75% of the number of places for children within the

1 licensed capacity of all child care providers ~~in that county~~ can be purchased at or  
2 ~~below that maximum rate~~ by eligible individuals under this section.

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

4 49.155 (6) (b) ~~Subject to review and approval by the~~ The department, each  
5 county shall set ~~a maximum reimbursement rate~~ payment rates for Level I certified  
6 family child care providers for services provided to eligible individuals under this  
7 section. The maximum rate rates set under this paragraph may not exceed 75% of  
8 the rate rates established under par. (a).

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

10 49.155 (6) (c) ~~Subject to review and approval by the~~ The department, each  
11 county shall set ~~a maximum reimbursement rate~~ payment rates for Level II certified  
12 family child care providers for services provided to eligible individuals under this  
13 section. The maximum rate rates set under this paragraph may not exceed 50% of  
14 the rate rates established under par. (a).

15 **SECTION 25.** 49.155 (6) (cm) of the statutes is amended to read:

16 49.155 (6) (cm) The department shall modify child care provider  
17 reimbursement payment rates established under pars. (a) to (c) so that  
18 reimbursement payment rates are lower for providers of after-school child care.

19 **SECTION 26.** 49.155 (6) (d) of the statutes is amended to read:

20 49.155 (6) (d) The department may promulgate rules to establish a system of  
21 rates or a program of grants ~~that the department will pay to~~ for child care providers  
22 that meet the higher quality of care standards established by rules promulgated  
23 under sub. (1d) (b). If a system of rates is established under this paragraph, the rates  
24 under that system shall be higher than the rates established under pars. (a) to (c).

25 **SECTION 27.** 49.155 (6) (e) 2. of the statutes is amended to read:

1           49.155 (6) (e) 2. Except as provided in subd. 3., the department may not  
2           increase the maximum reimbursement payment rates for child care providers before  
3           June 30, 2013.

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

5           49.155 (6) (e) 3. (intro.) ~~Beginning on July 1, 2012, the~~ The department may  
6           modify a child care provider's reimbursement payment rate under subd. 2. on the  
7           basis of the provider's quality rating, as described in the quality rating plan, in the  
8           following manner:

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

10          49.155 (6) (e) 3. a. For a child care provider who receives a 1-star rating, the  
11          department shall deny reimbursement payment.

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

13          49.155 (6) (e) 3. b. For a child care provider who receives a 2-star rating, the  
14          department may reduce the maximum reimbursement payment rate by up to 5  
15          percent.

16          **SECTION 31.** 49.155 (6) (e) 3. c. of the statutes is amended to read:

17          49.155 (6) (e) 3. c. For a child care provider who receives a 3-star rating, the  
18          department may pay up to the maximum reimbursement payment rate.

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

20          49.155 (6) (e) 3. d. For a child care provider who receives a 4-star rating, the  
21          department may increase the maximum reimbursement payment rate by up to 5  
22          percent.

23          **SECTION 33.** 49.155 (6) (e) 3. d. of the statutes, as affected by 2013 Wisconsin

24          Act .... (this act), is amended to read:

1           49.155 (6) (e) 3. d. For a child care provider who receives a 4–star rating, the  
2 department may increase the maximum payment rate by up to ~~5~~ 10 percent.

3           **SECTION 34.** 49.155 (6) (e) 3. e. of the statutes is amended to read:

4           49.155 (6) (e) 3. e. For a child care provider who receives a 5–star rating, ~~the~~  
5 ~~department may increase the maximum reimbursement rate by up to 10 percent,~~  
6 ~~except that beginning on January 1, 2013, the department may increase the~~  
7 ~~maximum reimbursement~~ payment rate for such a child care provider by up to 25  
8 percent.

9           **SECTION 35.** 49.155 (6) (e) 5. of the statutes is amended to read:

10           49.155 (6) (e) 5. For purposes of modifying reimbursement payment rates  
11 under subd. 3., the department shall assign a child care provider that is accredited  
12 from the Council on Accreditation a 4–star rating or 5–star rating, whichever the  
13 department determines is appropriate.

14           **SECTION 36.** 49.155 (6d) (a) 2. of the statutes is amended to read:

15           49.155 (6d) (a) 2. ~~Notwithstanding~~ Subject to sub. (5) (b), increase the  
16 copayment amount that an individual must pay toward the cost of child care received  
17 under this section.

18           **SECTION 37.** 49.155 (6d) (a) 3. of the statutes is amended to read:

19           49.155 (6d) (a) 3. Notwithstanding sub. (6), adjust the amount of  
20 ~~reimbursement paid~~ payment to child care providers providing child care services  
21 under this section.

22           **SECTION 38.** 49.155 (6g) (am) (intro.) of the statutes is amended to read:

23           49.155 (6g) (am) (intro.) If ~~reimbursement~~ payment to a child care provider is  
24 based on authorized hours of child care, the department shall do all of the following  
25 with respect to establishing and adjusting the number of authorized hours per child:

1           **SECTION 39.** 49.155 (7) (title) of the statutes is amended to read:

2           49.155 (7) (title) ~~REFUSAL TO PAY OF PAYMENT TO~~ CHILD CARE PROVIDERS.

3           **SECTION 40.** 49.155 (7) (a) 1. of the statutes is amended to read:

4           49.155 (7) (a) 1. If a child care provider is convicted of a serious crime, as defined  
5 in s. 48.685 (1) (c) 3m., or if a caregiver specified in s. 48.685 (1) (ag) 1. a. or a nonclient  
6 resident, as defined in s. 48.685 (1) (bm), of the child care provider is convicted or  
7 adjudicated delinquent for committing a serious crime on or after his or her 12th  
8 birthday, the department or the county department under s. 46.215, 46.22, or 46.23  
9 shall refuse to ~~pay~~ allow payment to the child care provider for any child care  
10 provided under this section beginning on the date of the conviction or delinquency  
11 adjudication.

12           **SECTION 41.** 49.155 (7) (b) (intro.) of the statutes is amended to read:

13           49.155 (7) (b) (intro.) The department or the county department under s.  
14 46.215, 46.22, or 46.23 may refuse to ~~pay~~ allow payment to a child care provider for  
15 child care provided under this section if any of the following applies to the child care  
16 provider or to a caregiver specified in s. 48.685 (1) (ag) 1. a. or nonclient resident, as  
17 defined in s. 48.685 (1) (bm), of the child care provider:

18           **SECTION 42.** 49.159 (1) of the statutes is renumbered 49.159 (1) (a) (intro.) and  
19 amended to read:

20           49.159 (1) (a) (intro.) An individual who would be eligible under s. 49.145  
21 except that the individual is the noncustodial parent of a dependent child, is eligible  
22 for services and benefits under this subsection if the dependent child's custodial  
23 parent is a participant and par. (b) if the individual is subject to a child support order.  
24 ~~The Wisconsin works agency may provide job search assistance and case~~  
25 ~~management designed to enable eligible noncustodial parents to obtain and retain~~

**SECTION 42**

1 employment, and any of the following applies to the custodial parent of the  
2 dependent child:

3 **SECTION 43.** 49.159 (1) (a) 1. of the statutes is created to read:

4 49.159 (1) (a) 1. The custodial parent is receiving case management services  
5 under s. 49.147 (2) (am).

6 **SECTION 44.** 49.159 (1) (a) 2. of the statutes is created to read:

7 49.159 (1) (a) 2. The custodial parent is participating in a Wisconsin Works  
8 employment position.

9 **SECTION 45.** 49.159 (1) (a) 3. of the statutes is created to read:

10 49.159 (1) (a) 3. The custodial parent is receiving a grant under s. 49.148 (1m).

11 **SECTION 46.** 49.159 (1) (a) 4. of the statutes is created to read:

12 49.159 (1) (a) 4. The custodial parent is receiving a subsidy for child care for  
13 the dependent child under s. 49.155.

14 **SECTION 47.** 49.159 (1) (b) of the statutes is created to read:

15 49.159 (1) (b) A Wisconsin Works agency may provide to an individual who is  
16 eligible under par. (a) any of the following services or benefits:

17 1. Job search assistance and case management designed to enable the  
18 individual to obtain and retain employment.

19 2. Placement in one job under s. 49.147 (3).

20 3. A stipend in an amount determined by the Wisconsin Works agency for not  
21 more than 4 months. A stipend under this subdivision terminates if the individual  
22 is placed in a job under s. 49.147 (3) or obtains unsubsidized employment, as defined  
23 in s. 49.147 (1).

24 **SECTION 48.** 49.826 (2) (a) 3. of the statutes is repealed.

25 **SECTION 9406. Effective dates; Children and Families.**

PAYMENT

CS

- 1 (1) CHILD CARE ~~REIMBURSEMENT~~ RATE. The treatment of section 49.155 (6) (e) 3.
- 2 d. (by SECTION 33) of the statutes takes effect on January 1, 2014.
- 3 (END)

D - note

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

LRB-0903/3ins  
PJK&FFK:.....  
*rm is run*

~~INSERT 3-10~~

~~\*\*\*\*NOTE: This is reconciled s. 48.651 (1) (intro.). This SECTION has been affected  
by drafts with the following LRB numbers: LRB-0903/2 and LRB-1124/3.~~

~~(END OF INSERT 3-10)~~

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

LRB-0903/3dn  
PJK&PK/...

*WJ*

Date

This draft reconciles LRB-0903/2 and LRB-1124/3. Both of these drafts should continue to appear in the compiled bill.

Pamela J. Kahler  
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**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0903/3dn  
PJK:wlj:ph

February 13, 2013

This draft reconciles LRB-0903/2 and LRB-1124/3. Both of these drafts should continue to appear in the compiled bill.

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State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-0903/3

PJK&FFK:sac/jld/wlj:ph

In 2-13-13

*note*

1/4  
RMR

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

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

✓ do not gen ✓  
1 AN ACT ...; relating to: the budget.

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

**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, 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. This bill makes the following changes to Wisconsin Shares:

1. Current law provides that DCF distributes child care 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. 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.

2. Under current law, counties set maximum rates, which are approved by DCF, for child care services under Wisconsin Shares. However, DCF may modify an individual child care provider's maximum rate on the basis of the child care

provider's quality rating under the quality rating plan known as YoungStar. Current law allows DCF to increase the maximum rate for a provider who receives a four-star rating under YoungStar by up to 5 percent. Under this bill, DCF determines the maximum rates for child care services under Wisconsin Shares. This bill also authorizes DCF to increase the maximum rate for a child care provider who receives a four-star rating under YoungStar by up to 10 percent beginning January 1, 2014.

3. Under current law, 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. The bill 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.

4. This bill changes the services and benefits that certain noncustodial parents are eligible to receive under the W-2 program. Under the bill, if a noncustodial parent of a child is required to pay child support and the custodial parent of the child is a participant in the W-2 program or is eligible to receive a child care subsidy for the child under Wisconsin Shares, the noncustodial parent is eligible to receive the following services and benefits under the W-2 program:

- a. Job search assistance and case management services.
- b. A monetary stipend for up to four months.
- c. Work experience in one trial employment match program job.

5. Under the bill, any noncustodial parent who is ineligible for a job access loan solely because the individual is not a custodial parent is eligible to receive a job access loan, which is a loan provided under the W-2 program to enable an individual to obtain or continue employment.

For further information see the *state and local* 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:*

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

2           **SECTION 2.** 20.437 (2) (pv) 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 3.** 48.659 of the statutes is amended to read:

4           **48.659 Child care quality rating system.** The department shall provide a  
5 child care quality rating system that rates the quality of the child care provided by

1 a child care provider licensed under s. 48.65 that receives reimbursement payment  
2 under s. 49.155 for the child care provided or that volunteers for rating under this  
3 section. The department shall make the rating information provided under that  
4 system available to the parents, guardians, and legal custodians of children who are  
5 recipients, or prospective recipients, of care and supervision from a child care  
6 provider that is rated under this section, including making that information  
7 available on the department's Internet site.

8 **SECTION 4.** 49.131 (2) of the statutes is amended to read:

9 49.131 (2) ~~If the necessary authorization under sub. (1) is granted, and except~~  
10 ~~as provided in sub. (3)~~ Subject to receiving any necessary approval from the  
11 appropriate federal agency under sub. (1), the department may implement a  
12 program to deliver by an electronic benefit transfer system any benefit that is  
13 administered by the department and that the department designates by rule.

14 **SECTION 5.** 49.131 (3) of the statutes is repealed.

15 **SECTION 6.** 49.137 (4) (a) of the statutes is amended to read:

16 49.137 (4) (a) Developing and recommending to the department a system of  
17 higher reimbursement payment rates or a program of grants for child care providers  
18 that meet the quality of care standards established under s. 49.132 (4) (e), 1995 stats.

19 **SECTION 7.** 49.143 (2) (ct) of the statutes is repealed.

20 **SECTION 8.** 49.147 (1) of the statutes is amended to read:

21 49.147 (1) DEFINITION. In this section, "unsubsidized employment" means  
22 employment, including self-employment and entrepreneurial activities, for which  
23 the ~~Wisconsin Works~~ agency provides no wage subsidy to the employer including  
24 self-employment and entrepreneurial activities receives no wage subsidy.

25 **SECTION 9.** 49.147 (3) (e) of the statutes is created to read:

1           49.147 (3) (e) *Noncustodial parents*. Notwithstanding s. 49.145 (1) and (2) (a),  
2           an individual who would be eligible for a job under this subsection except that the  
3           individual is a noncustodial parent of a dependent child is eligible for placement  
4           under this subsection <sup>✓</sup> (if the individual is eligible for services and benefits under s.  
5           49.159 (1) (a).)

6           **SECTION 10.** 49.147 (6) (b) 2. of the statutes is repealed.

7           **SECTION 11.** 49.147 (6) (c) of the statutes is amended to read:

8           49.147 (6) (c) *Distribution Funding and administration*. From the  
9           appropriation appropriations under s. 20.437 (2) (jL) and (md), the department shall  
10           distribute allocate funds for job access loans to a Wisconsin Works agency agencies,  
11           which shall administer the loans in accordance with rules promulgated by the  
12           department.

13           **SECTION 12.** 49.147 (6) (e) of the statutes is created to read:

14           49.147 (6) (e) *Noncustodial parents*. Notwithstanding s. 49.145 (1) and (2) (a),  
15           an individual who would be eligible for a job access loan under par. (a) except that  
16           the individual is a noncustodial parent of a dependent child is eligible to receive a job  
17           access loan under this subsection.

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

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

1 in a community service job under s. 49.147 (4) is required to work fewer than 30 hours  
2 per week because the participant has unsubsidized employment, as defined in s.  
3 49.147 (1), the grant amount under this paragraph shall equal the amount specified  
4 under subd. 1m. minus \$5 for each hour that the participant misses work or  
5 education or training activities without good cause.

6 **SECTION 14.** 49.148 (1) (b) 1m. (intro.) of the statutes is amended to read:

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

10 **SECTION 15.** 49.148 (1) (b) 3. of the statutes is amended to read:

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

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

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

1 promulgated by the department. Good cause shall include required court  
2 appearances for a victim of domestic abuse.

3 **SECTION 17.** 49.155 (3) (c) of the statutes is repealed.

4 **SECTION 18.** 49.155 (3m) (a) of the statutes is amended to read:

5 49.155 (3m) (a) The department shall issue benefits directly to individuals who  
6 are eligible for subsidies under this section or pay or reimburse child care providers  
7 or shall distribute funds to county departments under s. 46.215, 46.22 or 46.23,  
8 county departments or agencies, or tribal governing bodies for child care services  
9 provided under this section and. The department may also contract with and provide  
10 grants to private nonprofit agencies that provide child care for children of migrant  
11 workers. The department may pay or reimburse a Wisconsin ~~works~~ Works agency  
12 for child care that the Wisconsin ~~works~~ Works agency provides to the children of  
13 Wisconsin ~~works~~ Works participants and applicants or that the Wisconsin Works  
14 agency arranges to meet immediate, short-term child care needs of participants  
15 prior to authorization of a subsidy under sub. (1m).

16 **SECTION 19.** 49.155 (3m) (c) of the statutes is repealed.

17 **SECTION 20.** 49.155 (5) of the statutes is renumbered 49.155 (5) (a) and  
18 amended to read:

19 49.155 (5) (a) An individual receiving a subsidy under this section is liable for  
20 the percentage of difference, if any, between the cost of the child care ~~specified by the~~  
21 ~~department in a printed copayment schedule. An provided by the child care provider~~  
22 or providers selected by the individual and the subsidy amount. The department  
23 shall specify minimum or estimated copayment amounts based on family size,  
24 income level, and other factors, a schedule of which will be available in electronic  
25 form on the department's Internet site and in paper form.

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

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

7           49.155 (6) (a) ~~Subject to review and approval by the~~ The department, each  
8 county shall establish ~~the maximum reimbursement rate~~ payment rates for licensed  
9 child care services provided under this section. ~~A county~~ The department shall set  
10 the rate rates so that at least 75% of the number of places for children within the  
11 licensed capacity of all child care providers ~~in that county~~ can be purchased at or  
12 below ~~that maximum rate~~ by eligible individuals under this section.

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

14           49.155 (6) (b) ~~Subject to review and approval by the~~ The department, each  
15 county shall set ~~a maximum reimbursement rate~~ payment rates for Level I certified  
16 family child care providers for services provided to eligible individuals under this  
17 section. The maximum ~~rate~~ rates set under this paragraph may not exceed 75% of  
18 the ~~rate~~ rates established under par. (a).

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

20           49.155 (6) (c) ~~Subject to review and approval by the~~ The department, each  
21 county shall set ~~a maximum reimbursement rate~~ payment rates for Level II certified  
22 family child care providers for services provided to eligible individuals under this  
23 section. The maximum ~~rate~~ rates set under this paragraph may not exceed 50% of  
24 the ~~rate~~ rates established under par. (a).

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

1           49.155 (6) (cm) The department shall modify child care provider  
2 ~~reimbursement~~ payment rates established under pars. (a) to (c) so that  
3 ~~reimbursement~~ payment rates are lower for providers of after-school child care.

4           **SECTION 25.** 49.155 (6) (d) of the statutes is amended to read:

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

10          **SECTION 26.** 49.155 (6) (e) 2. of the statutes is amended to read:

11          49.155 (6) (e) 2. Except as provided in subd. 3., the department may not  
12 increase the maximum ~~reimbursement~~ payment rates for child care providers before  
13 June 30, 2013.

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

15          49.155 (6) (e) 3. (intro.) ~~Beginning on July 1, 2012, the~~ The department may  
16 modify a child care provider's ~~reimbursement~~ payment rate under subd. 2. on the  
17 basis of the provider's quality rating, as described in the quality rating plan, in the  
18 following manner:

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

20          49.155 (6) (e) 3. a. For a child care provider who receives a 1-star rating, the  
21 department shall deny ~~reimbursement~~ payment.

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

23          49.155 (6) (e) 3. b. For a child care provider who receives a 2-star rating, the  
24 department may reduce the maximum ~~reimbursement~~ payment rate by up to 5  
25 percent.

1           **SECTION 30.** 49.155 (6) (e) 3. c. of the statutes is amended to read;

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

4           **SECTION 31.** 49.155 (6) (e) 3. d. of the statutes is amended to read:

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

8           **SECTION 32.** 49.155 (6) (e) 3. d. of the statutes, as affected by 2013 Wisconsin  
9 Act .... (this act), is amended to read:

10           49.155 (6) (e) 3. d. For a child care provider who receives a 4–star rating, the  
11 department may increase the maximum payment rate by up to ~~5~~ 10 percent.

12           **SECTION 33.** 49.155 (6) (e) 3. e. of the statutes is amended to read:

13           49.155 (6) (e) 3. e. For a child care provider who receives a 5–star rating, ~~the~~  
14 ~~department may increase the maximum reimbursement rate by up to 10 percent,~~  
15 ~~except that beginning on January 1, 2013, the department may increase the~~  
16 ~~maximum reimbursement~~ payment rate for such a child care provider by up to 25  
17 percent.

18           **SECTION 34.** 49.155 (6) (e) 5. of the statutes is amended to read:

19           49.155 (6) (e) 5. For purposes of modifying ~~reimbursement~~ payment rates  
20 under subd. 3., the department shall assign a child care provider that is accredited  
21 from the Council on Accreditation a 4–star rating or 5–star rating, whichever the  
22 department determines is appropriate.

23           **SECTION 35.** 49.155 (6d) (a) 2. of the statutes is amended to read:

1           49.155 (6d) (a) 2. ~~Notwithstanding~~ Subject to sub. (5) (b), increase the  
2 copayment amount that an individual must pay toward the cost of child care received  
3 under this section.

4           **SECTION 36.** 49.155 (6d) (a) 3. of the statutes is amended to read:

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

8           **SECTION 37.** 49.155 (6g) (am) (intro.) of the statutes is amended to read:

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

12           **SECTION 38.** 49.155 (7) (title) of the statutes is amended to read:

13           49.155 (7) (title) ~~REFUSAL TO PAY~~ OF PAYMENT TO CHILD CARE PROVIDERS.

14           **SECTION 39.** 49.155 (7) (a) 1. of the statutes is amended to read:

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

23           **SECTION 40.** 49.155 (7) (b) (intro.) of the statutes is amended to read:

24           49.155 (7) (b) (intro.) The department or the county department under s.  
25 46.215, 46.22, or 46.23 may refuse to ~~pay~~ allow payment to a child care provider for

1 child care provided under this section if any of the following applies to the child care  
2 provider or to a caregiver specified in s. 48.685 (1) (ag) 1. a. or nonclient resident, as  
3 defined in s. 48.685 (1) (bm), of the child care provider:

4 **SECTION 41.** 49.159 (1) of the statutes is renumbered 49.159 (1) (a) (intro.) and  
5 amended to read:

6 49.159 (1) (a) (intro.) An individual who would be eligible under s. 49.145  
7 except that the individual is the noncustodial parent of a dependent child, is eligible  
8 for services and benefits under ~~this subsection if the dependent child's custodial~~  
9 ~~parent is a participant and par. (b) if the individual is subject to a child support order.~~  
10 ~~The Wisconsin works agency may provide job search assistance and case~~  
11 ~~management designed to enable eligible noncustodial parents to obtain and retain~~  
12 ~~employment. and any of the following applies to the custodial parent of the~~  
13 ~~dependent child:~~

14 **SECTION 42.** 49.159 (1) (a) 1. of the statutes is created to read:

15 49.159 (1) (a) 1. The custodial parent is receiving case management services  
16 under s. 49.147 (2) (am).

17 **SECTION 43.** 49.159 (1) (a) 2. of the statutes is created to read:

18 49.159 (1) (a) 2. The custodial parent is participating in a Wisconsin Works  
19 employment position.

20 **SECTION 44.** 49.159 (1) (a) 3. of the statutes is created to read:

21 49.159 (1) (a) 3. The custodial parent is receiving a grant under s. 49.148 (1m).

22 **SECTION 45.** 49.159 (1) (a) 4. of the statutes is created to read:

23 49.159 (1) (a) 4. The custodial parent is receiving a subsidy for child care for  
24 the dependent child under s. 49.155.

25 **SECTION 46.** 49.159 (1) (b) of the statutes is created to read:



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

LRB-0903/4dn

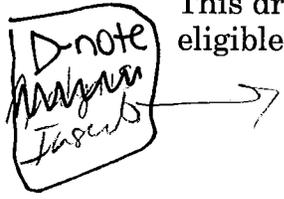
FFK: x:...

date

JLD

\* To Katie 

This draft adds language to s. 49.147 (3) (e) to clarify that a non-custodial parent is eligible for one placement under s. 49.147 (3).

  
D-note  
Analysis  
Inserts

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

LRB-0903/3dn  
PJK:wlj:ph

~~February 13, 2013~~

d-note  
~~analysis~~ Input →

This draft reconciles LRB-0903/2<sup>✓</sup> and LRB-1124/3. Both of these drafts should continue to appear in the compiled bill.<sup>✓</sup>

Pamela J. Kahler  
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**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0903/4dn  
FFK:jld:ph

February 13, 2013

To Katie:

This draft adds language to s. 49.147 (3) (e) to clarify that a noncustodial parent is eligible for one placement under s. 49.147 (3).

This draft reconciles LRB-0903/2 and LRB-1124/3. Both of these drafts should continue to appear in the compiled bill.

Fern Knepp  
Legislative Attorney  
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DOA:.....Major, BB0319 – Child care parent pay initiative

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

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

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*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**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, 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. This bill makes the following changes to Wisconsin Shares:

1. Current law provides that DCF distributes child care 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. 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.

2. Under current law, counties set maximum rates, which are approved by DCF, for child care services under Wisconsin Shares. However, DCF may modify an individual child care provider's maximum rate on the basis of the child care

provider's quality rating under the quality rating plan known as YoungStar. Current law allows DCF to increase the maximum rate for a provider who receives a four-star rating under YoungStar by up to 5 percent. Under this bill, DCF determines the maximum rates for child care services under Wisconsin Shares. This bill also authorizes DCF to increase the maximum rate for a child care provider who receives a four-star rating under YoungStar by up to 10 percent beginning January 1, 2014.

3. Under current law, 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. The bill 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.

4. This bill changes the services and benefits that certain noncustodial parents are eligible to receive under the W-2 program. Under the bill, if a noncustodial parent of a child is required to pay child support and the custodial parent of the child is a participant in the W-2 program or is eligible to receive a child care subsidy for the child under Wisconsin Shares, the noncustodial parent is eligible to receive the following services and benefits under the W-2 program:

- a. Job search assistance and case management services.
- b. A monetary stipend for up to four months.
- c. Work experience in one trial employment match program job.

5. Under the bill, any noncustodial parent who is ineligible for a job access loan solely because the individual is not a custodial parent is eligible to receive a job access loan, which is a loan provided under the W-2 program to enable an individual to obtain or continue employment.

For further information see the *state and local* 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:***

1           **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.

2           **SECTION 2.** 20.437 (2) (pv) 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 3.** 48.659 of the statutes is amended to read:

4           **48.659 Child care quality rating system.** The department shall provide a  
5 child care quality rating system that rates the quality of the child care provided by

1 a child care provider licensed under s. 48.65 that receives reimbursement payment  
2 under s. 49.155 for the child care provided or that volunteers for rating under this  
3 section. The department shall make the rating information provided under that  
4 system available to the parents, guardians, and legal custodians of children who are  
5 recipients, or prospective recipients, of care and supervision from a child care  
6 provider that is rated under this section, including making that information  
7 available on the department's Internet site.

8 **SECTION 4.** 49.131 (2) of the statutes is amended to read:

9 49.131 (2) ~~If the necessary authorization under sub. (1) is granted, and except~~  
10 ~~as provided in sub. (3)~~ Subject to receiving any necessary approval from the  
11 appropriate federal agency under sub. (1), the department may implement a  
12 program to deliver by an electronic benefit transfer system any benefit that is  
13 administered by the department ~~and that the department designates by rule.~~

14 **SECTION 5.** 49.131 (3) of the statutes is repealed.

15 **SECTION 6.** 49.137 (4) (a) of the statutes is amended to read:

16 49.137 (4) (a) Developing and recommending to the department a system of  
17 higher reimbursement payment rates or a program of grants for child care providers  
18 that meet the quality of care standards established under s. 49.132 (4) (e), 1995 stats.

19 **SECTION 7.** 49.143 (2) (ct) of the statutes is repealed.

20 **SECTION 8.** 49.147 (1) of the statutes is amended to read:

21 49.147 (1) DEFINITION. In this section, “unsubsidized employment” means  
22 employment, including self-employment and entrepreneurial activities, for which  
23 the Wisconsin Works agency provides no wage subsidy to the employer including  
24 self-employment and entrepreneurial activities receives no wage subsidy.

25 **SECTION 9.** 49.147 (3) (e) of the statutes is created to read:

1           49.147 (3) (e) *Noncustodial parents*. Notwithstanding s. 49.145 (1) and (2) (a),  
2           an individual who would be eligible for a job under this subsection except that the  
3           individual is a noncustodial parent of a dependent child is eligible for placement  
4           under this subsection, subject to s. 49.159 (1) (b) 2., if the individual is eligible for  
5           services and benefits under s. 49.159 (1) (a).

6           **SECTION 10.** 49.147 (6) (b) 2. of the statutes is repealed.

7           **SECTION 11.** 49.147 (6) (c) of the statutes is amended to read:

8           49.147 (6) (c) *Distribution Funding and administration*. From the  
9           ~~appropriation~~ appropriations under s. 20.437 (2) (jL) and (md), the department shall  
10          ~~distribute~~ allocate funds for job access loans to a Wisconsin Works ~~agency~~ agencies,  
11          which shall administer the loans in accordance with rules promulgated by the  
12          department.

13          **SECTION 12.** 49.147 (6) (e) of the statutes is created to read:

14          49.147 (6) (e) *Noncustodial parents*. Notwithstanding s. 49.145 (1) and (2) (a),  
15          an individual who would be eligible for a job access loan under par. (a) except that  
16          the individual is a noncustodial parent of a dependent child is eligible to receive a job  
17          access loan under this subsection.

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

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

1 in a community service job under s. 49.147 (4) is required to work fewer than 30 hours  
2 per week because the participant has unsubsidized employment, as defined in s.  
3 49.147 (1), the grant amount under this paragraph shall equal the amount specified  
4 under subd. 1m. minus \$5 for each hour that the participant misses work or  
5 education or training activities without good cause.

6 **SECTION 14.** 49.148 (1) (b) 1m. (intro.) of the statutes is amended to read:

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

10 **SECTION 15.** 49.148 (1) (b) 3. of the statutes is amended to read:

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

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

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

1 promulgated by the department. Good cause shall include required court  
2 appearances for a victim of domestic abuse.

3 SECTION 17. 49.155 (3) (c) of the statutes is repealed.

4 SECTION 18. 49.155 (3m) (a) of the statutes is amended to read:

5 49.155 (3m) (a) The department shall issue benefits directly to individuals who  
6 are eligible for subsidies under this section or pay or reimburse child care providers  
7 or shall distribute funds to county departments under s. 46.215, 46.22 or 46.23,  
8 county departments or agencies, or tribal governing bodies for child care services  
9 provided under this section and. The department may also contract with and provide  
10 grants to private nonprofit agencies that provide child care for children of migrant  
11 workers. The department may pay or reimburse a Wisconsin works Works agency  
12 for child care that the Wisconsin works Works agency provides to the children of  
13 Wisconsin works Works participants and applicants or that the Wisconsin Works  
14 agency arranges to meet immediate, short-term child care needs of participants  
15 prior to authorization of a subsidy under sub. (1m).

16 SECTION 19. 49.155 (3m) (c) of the statutes is repealed.

17 SECTION 20. 49.155 (5) of the statutes is renumbered 49.155 (5) (a) and  
18 amended to read:

19 49.155 (5) (a) An individual receiving a subsidy under this section is liable for  
20 the percentage of difference, if any, between the cost of the child care specified by the  
21 department in a printed copayment schedule. An provided by the child care provider  
22 or providers selected by the individual and the subsidy amount. The department  
23 shall specify minimum or estimated copayment amounts based on family size,  
24 income level, and other factors, a schedule of which will be available in electronic  
25 form on the department's Internet site and in paper form.

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

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

7           49.155 **(6)** (a) ~~Subject to review and approval by the~~ The department, each  
8 county shall establish the maximum reimbursement rate payment rates for licensed  
9 child care services provided under this section. ~~A county~~ The department shall set  
10 the rate rates so that at least 75% of the number of places for children within the  
11 licensed capacity of all child care providers ~~in that county~~ can be purchased at or  
12 below ~~that maximum rate~~ by eligible individuals under this section.

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

14           49.155 **(6)** (b) ~~Subject to review and approval by the~~ The department, each  
15 county shall set ~~a~~ maximum reimbursement rate payment rates for Level I certified  
16 family child care providers for services provided to eligible individuals under this  
17 section. The maximum rate rates set under this paragraph may not exceed 75% of  
18 the rate rates established under par. (a).

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

20           49.155 **(6)** (c) ~~Subject to review and approval by the~~ The department, each  
21 county shall set ~~a~~ maximum reimbursement rate payment rates for Level II certified  
22 family child care providers for services provided to eligible individuals under this  
23 section. The maximum rate rates set under this paragraph may not exceed 50% of  
24 the rate rates established under par. (a).

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

1           49.155 (6) (cm) The department shall modify child care provider  
2 ~~reimbursement~~ payment rates established under pars. (a) to (c) so that  
3 ~~reimbursement~~ payment rates are lower for providers of after-school child care.

4           **SECTION 25.** 49.155 (6) (d) of the statutes is amended to read:

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

10          **SECTION 26.** 49.155 (6) (e) 2. of the statutes is amended to read:

11          49.155 (6) (e) 2. Except as provided in subd. 3., the department may not  
12 increase the maximum ~~reimbursement~~ payment rates for child care providers before  
13 June 30, 2013.

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

15          49.155 (6) (e) 3. (intro.) ~~Beginning on July 1, 2012, the~~ The department may  
16 modify a child care provider's ~~reimbursement~~ payment rate under subd. 2. on the  
17 basis of the provider's quality rating, as described in the quality rating plan, in the  
18 following manner:

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

20          49.155 (6) (e) 3. a. For a child care provider who receives a 1-star rating, the  
21 department shall deny ~~reimbursement~~ payment.

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

23          49.155 (6) (e) 3. b. For a child care provider who receives a 2-star rating, the  
24 department may reduce the maximum ~~reimbursement~~ payment rate by up to 5  
25 percent.

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

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

4           **SECTION 31.** 49.155 (6) (e) 3. d. of the statutes is amended to read:

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

8           **SECTION 32.** 49.155 (6) (e) 3. d. of the statutes, as affected by 2013 Wisconsin  
9 Act .... (this act), is amended to read:

10           49.155 (6) (e) 3. d. For a child care provider who receives a 4–star rating, the  
11 department may increase the maximum payment rate by up to ~~5~~ 10 percent.

12           **SECTION 33.** 49.155 (6) (e) 3. e. of the statutes is amended to read:

13           49.155 (6) (e) 3. e. For a child care provider who receives a 5–star rating, the  
14 department may increase the maximum reimbursement rate by up to 10 percent,  
15 ~~except that beginning on January 1, 2013,~~ the department may increase the  
16 maximum ~~reimbursement~~ payment rate for such a child care provider by up to 25  
17 percent.

18           **SECTION 34.** 49.155 (6) (e) 5. of the statutes is amended to read:

19           49.155 (6) (e) 5. For purposes of modifying ~~reimbursement~~ payment rates  
20 under subd. 3., the department shall assign a child care provider that is accredited  
21 from the Council on Accreditation a 4–star rating or 5–star rating, whichever the  
22 department determines is appropriate.

23           **SECTION 35.** 49.155 (6d) (a) 2. of the statutes is amended to read:

1           49.155 (6d) (a) 2. ~~Notwithstanding~~ Subject to sub. (5) (b), increase the  
2 copayment amount that an individual must pay toward the cost of child care received  
3 under this section.

4           **SECTION 36.** 49.155 (6d) (a) 3. of the statutes is amended to read:

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

8           **SECTION 37.** 49.155 (6g) (am) (intro.) of the statutes is amended to read:

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

12           **SECTION 38.** 49.155 (7) (title) of the statutes is amended to read:

13           49.155 (7) (title) ~~REFUSAL TO PAY~~ OF PAYMENT TO CHILD CARE PROVIDERS.

14           **SECTION 39.** 49.155 (7) (a) 1. of the statutes is amended to read:

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

23           **SECTION 40.** 49.155 (7) (b) (intro.) of the statutes is amended to read:

24           49.155 (7) (b) (intro.) The department or the county department under s.  
25 46.215, 46.22, or 46.23 may refuse to ~~pay~~ allow payment to a child care provider for

1 child care provided under this section if any of the following applies to the child care  
2 provider or to a caregiver specified in s. 48.685 (1) (ag) 1. a. or nonclient resident, as  
3 defined in s. 48.685 (1) (bm), of the child care provider:

4 **SECTION 41.** 49.159 (1) of the statutes is renumbered 49.159 (1) (a) (intro.) and  
5 amended to read:

6 49.159 (1) (a) (intro.) An individual who would be eligible under s. 49.145  
7 except that the individual is the noncustodial parent of a dependent child, is eligible  
8 for services and benefits under this subsection if the dependent child's custodial  
9 parent is a participant and par. (b) if the individual is subject to a child support order.  
10 ~~The Wisconsin works agency may provide job search assistance and case~~  
11 ~~management designed to enable eligible noncustodial parents to obtain and retain~~  
12 ~~employment. and any of the following applies to the custodial parent of the~~  
13 dependent child:

14 **SECTION 42.** 49.159 (1) (a) 1. of the statutes is created to read:

15 49.159 (1) (a) 1. The custodial parent is receiving case management services  
16 under s. 49.147 (2) (am).

17 **SECTION 43.** 49.159 (1) (a) 2. of the statutes is created to read:

18 49.159 (1) (a) 2. The custodial parent is participating in a Wisconsin Works  
19 employment position.

20 **SECTION 44.** 49.159 (1) (a) 3. of the statutes is created to read:

21 49.159 (1) (a) 3. The custodial parent is receiving a grant under s. 49.148 (1m).

22 **SECTION 45.** 49.159 (1) (a) 4. of the statutes is created to read:

23 49.159 (1) (a) 4. The custodial parent is receiving a subsidy for child care for  
24 the dependent child under s. 49.155.

25 **SECTION 46.** 49.159 (1) (b) of the statutes is created to read:

