

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-5213/1	Introduction Number AB-0002 (JR8)
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Description
 statewide FoodShare employment and training program requirement for able-bodied adults

Fiscal Effect

State:

- | | | |
|---|--|---|
| <input type="checkbox"/> No State Fiscal Effect
<input type="checkbox"/> Indeterminate
<input type="checkbox"/> Increase Existing Appropriations
<input type="checkbox"/> Decrease Existing Appropriations
<input type="checkbox"/> Create New Appropriations | <input type="checkbox"/> Increase Existing Revenues
<input type="checkbox"/> Decrease Existing Revenues | <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Decrease Costs |
|---|--|---|

Local:

- | | | |
|--|--|--|
| <input type="checkbox"/> No Local Government Costs
<input type="checkbox"/> Indeterminate
1. <input type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenue
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory
4. <input type="checkbox"/> Decrease Revenue
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Government Units Affected
<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities
<input type="checkbox"/> Counties <input type="checkbox"/> Others
<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
|--|--|--|

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By	Authorized Signature	Date
DCF/ Sam Petricca (608) 422-6349	Kim Swissdorf (608) 422-6351	1/31/2018

Fiscal Estimate Narratives

DCF 1/31/2018

LRB Number	17-5213/1	Introduction Number	AB-0002 (JR8)	Estimate Type	Original
Description statewide FoodShare employment and training program requirement for able-bodied adults					

Assumptions Used in Arriving at Fiscal Estimate

Under this bill, the Department of Health Services (DHS) requires all able-bodied adults statewide to participate in the FoodShare employment and training program (FSET), except for able-bodied adults who are caretakers of a child under the age of six. Since participating in a component of FSET is a qualifying activity for the Wisconsin Shares child care subsidy program, this bill will increase the number of children participating in Wisconsin Shares. DHS estimates that the expanded FSET requirement will result in 13,642 children per month whose parents participate in FSET. Currently, a small number of children are eligible for Shares due to "participating in a component of FSET." The number of new children made eligible for Wisconsin Shares under this bill is estimated at 13,600.

In determining a fiscal estimate, the Department of Children and Families (DCF) analyzed the average monthly Wisconsin Shares issuance for children belonging to cases which only had children age 6 or above (to mirror the new FSET requirement). In September 2017, the average monthly issuance for these children was \$257 per child.

It was also necessary to determine the percentage of FSET children that would enroll in Wisconsin Shares. For Wisconsin Works, DCF's work program under the Temporary Assistance for Needy Families (TANF) block grant, the percentage of children above age 6 who also participated in Wisconsin Shares is 33%. Based on this, it is assumed that 33% of the 13,600 FSET children above age 6 would enroll in Wisconsin Shares, for a monthly total of 4,533.

For 4,533 children at an issuance of \$257, the estimated effect of this bill is approximately \$1,165,000 per month, or \$13,900,000 annually. This amount assumes child care is needed for 80 hours per month. To the extent that some of the required FSET participation occurs during the school day, the fiscal effect would be less. For example, if 40 hours per month of child care are needed, then the annual fiscal effect would be \$6,950,000. These are likely upper and lower cost bounds.

An important consideration is that this figure reflects data from September, and that summer months have higher issuance numbers with children out of school. Due to 12-month eligibility required under the Child Care and Development Block Grant (CCDBG) Reauthorization Act of 2014, cases that enroll in Shares during the summer months will continue to receive a higher subsidy amount for the duration of the annual eligibility period. Depending on when FSET cases receive eligibility, the issuance they receive may be higher than this estimate assumes.

There may be additional costs related to IT and state administration with this expanded population. Changes in these systems may be necessary to ensure compliance with the federal funding sources by which Shares is funded. These costs are indeterminate at this time.

Long-Range Fiscal Implications