

Fiscal Estimate - 2017 Session

Original Updated Corrected Supplemental

LRB Number 17-5420/1		Introduction Number SB-793	
Description child care reimbursement rates in Wisconsin Shares and making an appropriation			
Fiscal Effect			
State:			
<input type="checkbox"/> No State Fiscal Effect			
<input type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Decrease Costs	
Local:			
<input type="checkbox"/> No Local Government Costs			
<input type="checkbox"/> Indeterminate			
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Towns	<input type="checkbox"/> Village <input type="checkbox"/> Cities
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	<input type="checkbox"/> Counties	<input type="checkbox"/> Others
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts
Fund Sources Affected		Affected Ch. 20 Appropriations	
<input type="checkbox"/> GPR	<input checked="" 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	
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Fiscal Estimate Narratives

DCF 2/9/2018

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Description child care reimbursement rates in Wisconsin Shares and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill increases the Wisconsin Shares direct services allocation for State Fiscal Year 2019. It increases this allocation by \$8,000,000, to \$318,369,200 in SFY19.

The direct services allocation is funded through a mix of the Temporary Assistance for Needy Families (TANF) grant and Child Care Development Block Grant (CCDBG), and general purpose funding. The increased funding from this bill comes solely from TANF.

Of the \$8 million allocation increase, the bill requires that \$7,250,000 be spent on child care payment rate increases. The remaining \$750,000 is intended to increase the YoungStar adjustment rate for child care providers rated 4 or 5 Stars.

Currently, the YoungStar adjustment is 10% for 4 Star providers and 25% for 5 Star providers. The bill allows the department to increase those percentages to up to 15% and 30%, respectively.

Long-Range Fiscal Implications

The TANF structural deficit under Act 59 is estimated at \$60 million. This bill would increase the structural deficit by \$16 million to a total of \$76 million.