

LRB or Bill No./Adm. Rule No.  
DWD 56

Amendment No. if Applicable

☒ ORIGINAL      ☐ UPDATED  
☐ CORRECTED      ☐ SUPPLEMENTAL
FISCAL ESTIMATE  
DOA-2048 N(R03/97)**Subject**

Child care copayments

**Fiscal Effect**State: ☐ No State Fiscal EffectCheck columns below only if bill makes a direct appropriation  
or affects a sum sufficient appropriation.☐ Increase Costs - May be possible to Absorb  
Within Agency's Budget ☐ Yes ☐ No
☐ Increase Existing Appropriation      ☐ Increase Existing Revenues  
☐ Decrease Existing Appropriation      ☐ Decrease Existing Revenues  
☐ Create New Appropriation
☒ Decrease CostsLocal: ☒ No local government costs
1. ☐ Increase Costs  
☐ Permissive      ☐ Mandatory  
2. ☐ Decrease Costs  
☐ Permissive      ☐ Mandatory

3. ☐ Increase Revenues  
☐ Permissive      ☐ Mandatory  
4. ☐ Decrease Revenues  
☐ Permissive      ☐ Mandatory

5. Types of Local Governmental Units Affected:  
☐ Towns      ☐ Villages      ☐ Cities  
☐ Counties      ☐ Others \_\_\_\_\_  
☐ School Districts      ☐ WTCS Districts
**Fund Sources Affected**☒ GPR ☒ FED ☐ PRO ☐ PRS ☒ SEG ☐ SEG-S**Affected Ch. 20 Appropriations**

20.445 (3)

**Assumptions Used in Arriving at Fiscal Estimate**

By combining the copayment rates for licensed and certified care at the licensed level, the Department will experience savings related to the increased copayment for certified care. By comparing the current copayments at the certified rate against the new copayment and applying that to the cost of care for child care subsidy parents who used certified care in SFY 07, it is estimated that the Department will realize about \$475,000 in savings in direct child care subsidies for the three months that the rule will be effective in SFY 08, based on savings of \$1,900,000 that might be expected for a full year.

Savings may diminish over time when program participants experience no differential in cost for varying types of care. As a result, SFY 09 savings are assumed to be only twice the SFY 08 amount, or \$950,000.

Current-year appropriations are still anticipated to be fully expended.

**Long-Range Fiscal Implications**

If program participants migrate to higher cost licensed care, the change may be cost neutral over time.

Agency/Prepared by: (Name & Phone No.)  
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Authorized Signature/Telephone No.

Date