

**1999 DRAFTING REQUEST**

**Bill**

Received: **11/2/98**

Received By: **yacketa**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Sajna**

This file may be shown to any legislator: **NO**

Drafter: **yacketa**

May Contact:

Alt. Drafters:

Subject: **Public Assistance - Wis works**

Extra Copies:

**Topic:**

DOA:.....Sajna - Calculation of income under W-2 and W-2 child care

**Instructions:**

See Attached

**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>
/1	yacketa 11/11/98 yacketa 01/8/99	chanaman 11/13/98	lpaasch 11/13/98	_____	lrb_docadmin 11/13/98		S&L
/2		gilfokm 01/8/99	ismith 01/12/99	_____	lrb_docadmin 01/12/99		S&L
/3	yacketa 01/27/99 yacketa 02/2/99	chanaman 01/27/99	jfrantze 01/27/99	_____	lrb_docadmin 01/27/99		S&L
/4	yacketa 02/5/99	chanaman 02/5/99	jfrantze 02/5/99	_____	lrb_docadmin 02/5/99		S&L

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/3	yacketa 01/27/99	chanaman 01/27/99	jfrantze 01/27/99	_____	lrb_docadmin 01/27/99		S&L

FE Sent For:

14 cmh  
2/5  
14 jlg 3/5

Jb 2/5

Jb/ep  
<END>  
2/5

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/2		gilfokm 01/8/99	ismith 01/12/99	_____	lrb_docadmin 01/12/99		S&L

FE Sent For:

emb 1/27  
1/3  
1/3 1/27 jlg

1/27 Jb/ep  
<END>  
1/27

1999 DRAFTING REQUEST

Bill

Received: 11/2/98

Received By: yacketa

Wanted: As time permits

Identical to LRB:

For: Administration-Budget

By/Representing: Sajna

This file may be shown to any legislator: NO

Drafter: yacketa

May Contact:

Alt. Drafters:

Subject: Public Assistance - Wis works

Extra Copies:

Topic:

DOA:.....Sajna - Treatment of child support payments under W-2

Instructions:

See Attached

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>
/1	yacketa 11/11/98	chanaman 11/13/98	lpaasch 11/13/98	_____	lrb_docadmin 11/13/98		S&L

FE Sent For: *12-1-8-99*  
*kmg*  
*IS*  
*1/2/99*  
*IS/HM*  
*1/2/99*  
 <END>

1999 DRAFTING REQUEST

Bill

Received: 11/2/98

Received By: yacketa

Wanted: As time permits

Identical to LRB:

For: Administration-Budget

By/Representing: Sajna

This file may be shown to any legislator: NO

Drafter: yacketa

May Contact:

Alt. Drafters:

Subject: Public Assistance - Wis works

Extra Copies:

Topic:

DOA:.....Sajna - Treatment of child support payments under W-2 - not under child care

Instructions:

See Attached

priority = high

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>
1?	yacketa	1-11-12 King	11-13 L.P.	11-13 L.P. <del>KM</del>			

FE Sent For:

<END>

**CORRESPONDENCE MEMORANDUM**

**STATE OF WISCONSIN  
Department of Administration**

**Date:** October 14, 1998  
**To:** Steven Miller, LRB  
**From:** Jennifer Sajna (6-8219)  
SBO  
**Subject:** 1999-01 Biennial Budget Drafting Requests

I have several additional drafting requests for the 1999-01 biennial budget. They include:

- TAY 1) **Treatment of Child Support Payments under W-2** – Under proposed federal regulations, states can only count the state's share of any child support passed through to a recipient towards the Maintenance of Effort requirement, if it does not affect the person's eligibility for the TANF program. Given this, please modify s.49.145(3)(b) to exclude child support payments in the calculation of income for purposes of eligibility for the W-2 program.
- RJK 2) **Social Security Numbers on the Lien Docket** – Attached is a new DWD request.
- TAY 3) **Credit Assistance** – Modify s.49.143 (2)(cr) to read "Provide or contract with another agency to provide budgeting and financial planning, including credit establishment, training to participants". Delete the rest of that paragraph and the related allocation under s.49.175.
- TAY 4) **Child Care Eligibility**– Modify the initial eligibility standard in s.49.155(1m)(c)1 from 165% to 185% of the federal poverty line, s.49.155(1m)(b)3 to remove the asset test and s.49.155(1m)(a) to cover disabled children, as defined by the department, ages 13 to 18.
- TAY 5) **TANF allocations (49.175)** – I still don't have numbers on these (or child care) but I do know that we will be eliminating the following separate allocations – s.49.175(a), (cr), (e), (d), (j), (q), (s), and (v).

**Modifications to drafts already submitted:**

- RJK 1) **Insurance Company Disclosure** – Amend s.49.475 to require DHFS to share the information received from the insurance companies with DWD.
- TAY 2) **Public Assistance Collections** – Allow DWD to use "UI"-type collection methods only for overpayments that did not result from an agency error.

Please have the drafters call me if they have any questions. Thanks.



Soon / D-NOTE

State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-0699/1

TAY.....

RMP  
C.M.H. King

DOA:.....Sajna – Treatment of child support payments under W-2  
FOR 1999-01 BUDGET – NOT READY FOR INTRODUCTION

1 AN ACT <sup>don't put cat.</sup> relating to: the budget.

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

**WISCONSIN WORKS**

Under current law, to be eligible for a Wisconsin works (W-2) employment position a person's income may not exceed 115% of the federal poverty line. Currently, in calculating the person's income, a W-2 agency must include child support payments received by the person on behalf of any child who is a member of that person's household.

This bill removes child support payments from the income consideration. ✓

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:*

- 2 SECTION 1. 49.145<sup>✓</sup> (3) (b) 2. of the statutes is repealed.
- 3 SECTION 2. 49.155<sup>✓</sup> (1m) (c) 1. of the statutes is amended to read:
- 4 49.155 (1m) (c) 1. The gross income of the individual's family is at or below
- 5 165% of the poverty line for a family the size of the individual's family or, for an

1 individual who is already receiving a child care subsidy under this section, the gross  
2 income of the individual's family is at or below 200% of the poverty line for a family  
3 the size of the individual's family. In calculating the gross income of the family, the  
4 Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. ~~to~~  
5 and 3. and child support payments received by the individual on behalf of the child  
6 for whom the child care is sought.

7 History: 1995 a. 289; 1997 a. 27, s. 1766 to 1775, 1838 to 1857; 1997 a. 41, 105, 237, 252.

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

8 49.155 (1m) (c) 1g. The individual is a foster parent of the child and the child's  
9 biological or adoptive family meets the asset limit under s. 49.145 (3) (a) and has a  
10 gross income that is at or below 200% of the poverty line. In calculating the gross  
11 income of the child's biological or adoptive family, the Wisconsin works agency shall  
12 include income described under s. 49.145 (3) (b) 1. ~~to~~ and 3.

13 History: 1995 a. 289; 1997 a. 27, s. 1766 to 1775, 1838 to 1857; 1997 a. 41, 105, 237, 252.

**SECTION 4.** 49.155 (1m) (c) 1h. of the statutes is amended to read:

14 49.155 (1m) (c) 1h. The individual is a relative of the child, is providing care  
15 for the child under a court order and is receiving payments under s. 48.57 (3m) on  
16 behalf of the child and the child's biological or adoptive family meets the asset limit  
17 under s. 49.145 (3) (a) and has a gross income that is at or below 200% of the poverty  
18 line. In calculating the gross income of the child's biological or adoptive family, the  
19 Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. ~~to~~  
20 and 3.

21 History: 1995 a. 289; 1997 a. 27, s. 1766 to 1775, 1838 to 1857; 1997 a. 41, 105, 237, 252.

(END)



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

LRB-0699/1dn

TAY.....  
*cmj & Kmg*

Jennifer Sajna:

Per your instructions, in determining income eligibility for child care subsidies, child support will still be included. Note, however, that I did not refer to child support payments in the provisions dealing with children in foster care or kinship care. It is the income of those children's biological or adoptive families that is evaluated. Since child support for a child in foster care or kinship care appears to be assigned to the state, it did not seem necessary to include a reference to child support payments in those provisions. Also, I assumed that you intended only those child support payments received on behalf of the child for whom child care is sought to count as income (rather than child support payments received for other children in the household). Please let me know if that assumption is incorrect.

Tina A. Yacker  
Legislative Attorney  
261-6927

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

LRB-0699/1dn  
TAY:cmh&kmg:lp

November 13, 1998

Jennifer Sajna:

Per your instructions, in determining income eligibility for child care subsidies, child support will still be included. Note, however, that I did not refer to child support payments in the provisions dealing with children in foster care or kinship care. It is the income of those children's biological or adoptive families that is evaluated. Since child support for a child in foster care or kinship care appears to be assigned to the state, it did not seem necessary to include a reference to child support payments in those provisions. Also, I assumed that you intended only those child support payments received on behalf of the child for whom child care is sought to count as income (rather than child support payments received for other children in the household). Please let me know if that assumption is incorrect.

Tina A. Yacker  
Legislative Attorney  
261-6927

**Yacker, Tina**

---

**From:** Sajna, Jennifer [Jennifer.sajna@doa.state.wi.us]  
**Sent:** Friday, January 08, 1999 1:30 PM  
**To:** Yacker, Tina  
**Subject:** FW: CC - farm and self-employment income



CCOP.DOC

Attached is the department's suggested language to effect the change

from  
gross to net income in the determination of financial eligibility criteria  
for child care .

In addition, please modify draft 0699/1 to remove child support payments  
from the financial eligibility criteria for child care.

Thanks - call if you have questions.

> -----Original Message-----

> From: REYNOLDS, DIANE

> Sent: Friday, January 08, 1999 9:49 AM

> To: Sajna, Jennifer

> Cc: EDIE, DAVE

> Subject: CC - farm and self-employment income

>

>

> [[ CCOP.DOC : 3842 In CCOP.DOC ]] <<CCOP.DOC>>

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Amend the last sentence in s.49.155(1m)(c)1 to read:

In calculating the gross income of the family, the Wisconsin works agency shall include income described under s.49.145(3)(b)1. to 3. except that, in calculating farm and self-employment income, the Wisconsin works agency shall include net earnings reported to the internal revenue service and add back in depreciation, personal business and entertainment expenses, personal transportation, purchases of capital equipment and payments on the principal of loans.



State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-0699/2

TAY:cmh&kmg:lp

RMR / W-2 changed Title in reg sheet  
stays

calculation of income

DOA:.....Sajna - Treatment of child support payments under W-2  
FOR 1999-01 BUDGET -- NOT READY FOR INTRODUCTION

and W-2 = child care

To be eligible for w-2 child care, a person's income, with certain exceptions, may not exceed 165% of the federal poverty line.

1 AN ACT <sup>Don't Con Act.</sup>; relating to: the budget.

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

**WISCONSIN WORKS**

Under current law, to be eligible for a Wisconsin works (W-2) employment position a person's income may not exceed 115% of the federal poverty line. Currently, in calculating the person's income, a W-2 agency must include child support payments received by the person on behalf of any child who is a member of that person's household.

This bill removes child support payments from the income consideration.

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:**

2 SECTION 1. 49.145 (3) (b) 2. of the statutes is repealed.

3 SECTION 2. 49.155 (1m) (c) 1. of the statutes is amended to read:

4 49.155 (1m) (c) 1. The gross income of the individual's family is at or below  
5 165% of the poverty line for a family the size of the individual's family or, for an

W-2 child = care eligibility

and certain business-related expenses

in the calculation of income for

The bill also directs the W-2 agency to include net earnings reported to the Internal Revenue Service for farm and self-employment income.

1 individual who is already receiving a child care subsidy under this section, the gross  
 2 income of the individual's family is at or below 200% of the poverty line for a family  
 3 the size of the individual's family. In calculating the gross income of the family, the  
 4 Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. ~~to~~  
 5 ~~and 3. and child support payments received by the individual on behalf of the child~~  
 6 ~~for whom the child care is sought.~~

7 **SECTION 3.** 49.155 (1m) (c) 1g. of the statutes is amended to read:

8 49.155 (1m) (c) 1g. The individual is a foster parent of the child and the child's  
 9 biological or adoptive family meets the asset limit under s. 49.145 (3) (a) and has a  
 10 gross income that is at or below 200% of the poverty line. In calculating the gross  
 11 income of the child's biological or adoptive family, the Wisconsin works agency shall  
 12 include income described under s. 49.145 (3) (b) 1. ~~to~~ and 3.

13 **SECTION 4.** 49.155 (1m) (c) 1h. of the statutes is amended to read:

14 49.155 (1m) (c) 1h. The individual is a relative of the child, is providing care  
 15 for the child under a court order and is receiving payments under s. 48.57 (3m) on  
 16 behalf of the child and the child's biological or adoptive family meets the asset limit  
 17 under s. 49.145 (3) (a) and has a gross income that is at or below 200% of the poverty  
 18 line. In calculating the gross income of the child's biological or adoptive family, the  
 19 Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. ~~to~~  
 20 and 3.

21 (END)

↓ except that, in calculating farm and self-employment income, ↓  
 the Wisconsin works agency shall include <sup>net</sup> net earnings  
 reported to the Internal Revenue Service and ~~add back~~  
~~for~~ <sup>expenses</sup> depreciation, personal business and entertainment expenses,  
 personal transportation, purchases of capital equipment and payments  
 on the principal of loans.



(5000)  
State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-0699/2 3  
TAY:cmh&kmg:ijs

RMR

DOA:.....Sajna - Calculation of income under W-2 and W-2 child care

FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

1 AN ACT <sup>don't</sup> <sup>for cat.</sup> ...; relating to: the budget.

---

*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**WISCONSIN WORKS**

Under current law, to be eligible for a Wisconsin works (W-2) employment position a person's income may not exceed 115% of the federal poverty line. To be eligible for W-2 child care, a person's income, with certain exceptions, may not exceed 165% of the federal poverty line. Currently, in calculating the person's income, a W-2 agency must include child support payments received by the person on behalf of any child who is a member of that person's household.

This bill removes child support payments from the income consideration. The bill also directs the W-2 agency to include in the calculation of income for W-2 child care eligibility net earnings and certain business-related expenses reported to the Internal Revenue Service for farm and self-employment income.

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:*

2 SECTION 1. 49.145 (3) (b) 2. of the statutes is repealed.

SECTION 2

renumbered 49.155(1m)(c)1.  
(intro) and

Fix component  
1  
2

SECTION 2. 49.155 (1m) (c) 1. of the statutes is amended to read:

49.155 (1m) (c) 1. <sup>(intro.)</sup> The gross income of the individual's family is at or below  
 165% of the poverty line for a family the size of the individual's family or, for an  
 individual who is already receiving a child care subsidy under this section, the gross  
 income of the individual's family is at or below 200% of the poverty line for a family  
 the size of the individual's family. In calculating the gross income of the family, the  
 Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. ~~to~~  
 and 3., <sup>underscoring</sup> except that, in calculating farm and self-employment income, the Wisconsin  
<sup>(the sum of the following)</sup> works agency shall include ~~net earnings reported to the Internal Revenue Service.~~  
~~and depreciation expenses, personal business and entertainment expenses, personal~~  
~~transportation, purchases of capitol equipment and payments on the principal of~~  
~~loans.~~ } plain

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

49.155 (1m) (c) 1g. The individual is a foster parent of the child and the child's  
biological or adoptive family meets the asset limit under s. 49.145 (3) (a) and has a  
gross income that is at or below 200% of the poverty line. In calculating the gross  
income of the child's biological or adoptive family, the Wisconsin works agency shall  
include income described under s. 49.145 (3) (b) 1. ~~to~~ and 3.

SECTION 4. 49.155 (1m) (c) 1h. of the statutes is amended to read:

49.155 (1m) (c) 1h. The individual is a relative of the child, is providing care  
for the child under a court order and is receiving payments under s. 48.57 (3m) on  
behalf of the child and the child's biological or adoptive family meets the asset limit  
under s. 49.145 (3) (a) and has a gross income that is at or below 200% of the poverty  
line. In calculating the gross income of the child's biological or adoptive family, the

SEC.  
plain

6  
49.155(1m)(c)  
1. a.  
plain



1 Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. ~~to~~  
2 and 3.

3 (END)

D-NOTE

1999 - 2000 LEGISLATURE

LRB-0699/24

TAY:cmh&kmg:jf

W-2 TODAY

RMR (EJL)

DOA:.....Sajna - Calculation of income under W-2 and W-2 child care  
FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION

don't  
gen  
cat.

beginning on  
January 1, 2000

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

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

**WISCONSIN WORKS**

Under current law, to be eligible for a Wisconsin works (W-2) employment position a person's income may not exceed 115% of the federal poverty line. To be eligible for W-2 child care, a person's income, with certain exceptions, may not exceed 165% of the federal poverty line. Currently, in calculating the person's income, a W-2 agency must include child support payments received by the person on behalf of any child who is a member of that person's household.

This bill removes child support payments from the income consideration. The bill also directs the W-2 agency to include in the calculation of income for W-2 child care eligibility net earnings and certain business-related expenses reported to the Internal Revenue Service for farm and self-employment income.

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:*

2 SECTION 1. 49.145 (3) (b) 2. of the statutes is repealed.

no ff

This bill also expands eligibility for child care subsidy beginning on January 1, 2000. Under the bill, the initial income limit is increased to 185% of the poverty line and the asset limit is eliminated.

*plain space*  
SECTION #, RP; 49.155(1m)(b)3. ✓  
Δ Δ Δ

1 SECTION 2. 49.155 (1m) (c) 1. of the statutes is renumbered 49.155 (1m) (c) 1.  
2 (intro.) and amended to read:

3 49.155 (1m) (c) 1. (intro.) The gross income of the individual's family is at or  
4 below ~~165%~~ <sup>185%</sup> of the poverty line for a family the size of the individual's family or, for  
5 an individual who is already receiving a child care subsidy under this section, the  
6 gross income of the individual's family is at or below 200% of the poverty line for a  
7 family the size of the individual's family. In calculating the gross income of the  
8 family, the Wisconsin works agency shall include income described under s. 49.145  
9 (3) (b) 1. ~~to and 3.~~, except that, in calculating farm and self-employment income, the

10 Wisconsin works agency shall include the sum of the following:

NOTE  
Reconcile

\*\*\* Note: This is reconciled s. 49.155(1m)(c)1. This section has been affected by the following LRB #'s: LRB-0699/3 and LRB-0701/4.

11 SECTION 3. 49.155 (1m) (c) 1. a. of the statutes is created to read:  
12 49.155 (1m) (c) 1. a. Net earnings reported to the Internal Revenue Service.

13 SECTION 4. 49.155 (1m) (c) 1. b. of the statutes is created to read:

14 49.155 (1m) (c) 1. b. Depreciation expenses, personal business and  
15 entertainment expenses, personal transportation costs, purchases of capital  
16 equipment and payments on the principal of loans.

17 SECTION 5. 49.155 (1m) (c) 1g. of the statutes is amended to read:

18 49.155 (1m) (c) 1g. The individual is a foster parent of the child and the child's  
19 biological or adoptive family ~~meets the asset limit under s. 49.145 (3) (a) and~~ has a  
20 gross income that is at or below 200% of the poverty line. In calculating the gross  
21 income of the child's biological or adoptive family, the Wisconsin works agency shall  
22 include income described under s. 49.145 (3) (b) 1. ~~to and 3.~~

NOTE  
Reconcile

\*\*\* Note: This is reconciled s. 49.155(1m)(c)1g. This section has been affected by the following LRB #'s: LRB-0699/3 and 0701/4.

23 SECTION 6. 49.155 (1m) (c) 1h. of the statutes is amended to read:

24 49.155 (1m) (c) 1h. The individual is a relative of the child, is providing care  
25 for the child under a court order and is receiving payments under s. 48.57 (3m) on

*plain space*  
*strike*

3  
LRB-0699/3  
LRB-0701/4  
LRB

3  
LRB-0699/3  
and 0701/4  
LRB-

1 behalf of the child and the child's biological or adoptive family ~~meets the asset limit~~  
 2 ~~under s. 49.145 (3) (a) and~~ has a gross income that is at or below 200% of the poverty  
 3 line. In calculating the gross income of the child's biological or adoptive family, the  
 4 Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. to  
 5 and 3.

6 SECTION 9357. Initial applicability. <sup>workforce development.</sup>  
 (#) <sup>INCOME CALCULATION!</sup> The treatment of sections 49.145 (3) (b) 2, 49.155 (1m) (c) 1, g, and h, and the creation of section 49.155 (1m) (c) 1. a. and b. of the statutes applies for the Wisconsin works program on the effective date of this subsection.

SECTION 9457. <sup>workforce development.</sup> Effective dates;  
 (#) <sup>INCOME CALCULATION!</sup> The treatment of sections 49.145 (3) (b) 2, 49.155 (1m) (c) 1, g, and h, of the statutes, the renumbering and amendment of section 49.155 (1m) (c) 1. of the statutes and the creation of section 49.155 (1m) (c) 1. a. and b. of the statutes take effect on January 1, 2000.

and SECTION 9357 (AUTO REF A) of this act.

\*NOTE: This is reconciled s. 49.155 (1m) (c) 1. h. This SECTION has been affected by the following LRB numbers:  
 LRB-0699/3 and LRB-0701/4.

strike

plain space

strike

AUTO REF A

CS

(b) 3, and

the renumbering and amendment of section 49.155 (1m) (c) 1. of the statutes

(END)

B

of the statutes

(b) 3, and

CS

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

LRB-0699/4dn

TAY.....

cmH  
&  
jg

← (5/20/03)

3

This draft reconciles LRB-0699/3 and LRB-0701/4. Both of these drafts should continue to appear in the compiled bill.

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

LRB-0699/4dn  
TAY:cmh&jlgjf

February 5, 1999

This draft reconciles LRB-0699/3 and LRB-0701/4. Both of these drafts should continue to appear in the compiled bill.

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State of Wisconsin  
1999 - 2000 LEGISLATURE

LRB-0699/4  
TAY:cmh/kmg/jlg:jf

DOA:.....Sajna - Calculation of income under W-2 and W-2 child care  
FOR 1999-01 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**

Under current law, to be eligible for a Wisconsin works (W-2) employment position a person's income may not exceed 115% of the federal poverty line. To be eligible for W-2 child care, a person's income, with certain exceptions, may not exceed 165% of the federal poverty line. Currently, in calculating the person's income, a W-2 agency must include child support payments received by the person on behalf of any child who is a member of that person's household.

This bill removes child support payments from the income consideration beginning on January 1, 2000. The bill also directs the W-2 agency to include in the calculation of income for W-2 child care eligibility net earnings and certain business-related expenses reported to the Internal Revenue Service for farm and self-employment income. This bill also expands eligibility for a child care subsidy beginning on January 1, 2000. Under the bill, the initial income limit is increased to 185% of the poverty line and the asset limit is eliminated.

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.** 49.145 (3) (b) 2. of the statutes is repealed.

2           **SECTION 2.** 49.155 (1m) (b) 3. of the statutes is repealed.

3           **SECTION 3.** 49.155 (1m) (c) 1. of the statutes is renumbered 49.155 (1m) (c) 1.

4 (intro.) and amended to read:

5           49.155 (1m) (c) 1. (intro.) The gross income of the individual's family is at or  
6 below ~~165%~~ 185% of the poverty line for a family the size of the individual's family  
7 or, for an individual who is already receiving a child care subsidy under this section,  
8 the gross income of the individual's family is at or below 200% of the poverty line for  
9 a family the size of the individual's family. In calculating the gross income of the  
10 family, the Wisconsin works agency shall include income described under s. 49.145  
11 (3) (b) 1. ~~to and 3., except that, in calculating farm and self-employment income, the~~  
12 Wisconsin works agency shall include the sum of the following:

      \*\*\*\*NOTE: This is reconciled s. 49.155 (1m) (c) 1. This SECTION has been affected by  
the following LRB numbers: LRB-0699/3 and LRB-0701/4.

13           **SECTION 4.** 49.155 (1m) (c) 1. a. of the statutes is created to read:

14           49.155 (1m) (c) 1. a. Net earnings reported to the Internal Revenue Service.

15           **SECTION 5.** 49.155 (1m) (c) 1. b. of the statutes is created to read:

16           49.155 (1m) (c) 1. b. Depreciation expenses, personal business and  
17 entertainment expenses, personal transportation costs, purchases of capital  
18 equipment and payments on the principal of loans.

19           **SECTION 6.** 49.155 (1m) (c) 1g. of the statutes is amended to read:

20           49.155 (1m) (c) 1g. The individual is a foster parent of the child and the child's  
21 biological or adoptive family ~~meets the asset limit under s. 49.145 (3) (a) and~~ has a  
22 gross income that is at or below 200% of the poverty line. In calculating the gross



1 income of the child's biological or adoptive family, the Wisconsin works agency shall  
2 include income described under s. 49.145 (3) (b) 1. ~~to~~ and 3.

\*\*\*\*NOTE: This is reconciled s. 49.155 (1m) (c) 1g. This SECTION has been affected  
by the following LRB numbers: LRB-0699/3 and LRB-0701/4.

3 **SECTION 7.** 49.155 (1m) (c) 1h. of the statutes is amended to read:

4 49.155 (1m) (c) 1h. The individual is a relative of the child, is providing care  
5 for the child under a court order and is receiving payments under s. 48.57 (3m) on  
6 behalf of the child and the child's biological or adoptive family ~~meets the asset limit~~  
7 ~~under s. 49.145 (3) (a) and~~ has a gross income that is at or below 200% of the poverty  
8 line. In calculating the gross income of the child's biological or adoptive family, the  
9 Wisconsin works agency shall include income described under s. 49.145 (3) (b) 1. ~~to~~  
10 and 3.

\*\*\*\*NOTE: This is reconciled s. 49.155 (1m) (c) 1h. This SECTION has been affected  
by the following LRB numbers: LRB-0699/3 and LRB-0701/4.

11 **SECTION 9357. Initial applicability; workforce development.**

12 (1) INCOME CALCULATION. The treatment of sections 49.145 (3) (b) 2. and 49.155  
13 (1m) (b) 3. and (c) 1g. and 1h., the renumbering and amendment of section 49.155  
14 (1m) (c) 1. of the statutes and the creation of section 49.155 (1m) 1. a. and b. of the  
15 statutes first applies to the calculation of the income of a person who applies for the  
16 Wisconsin works program on the effective date of this subsection.

17 **SECTION 9457. Effective dates; workforce development.**

18 (1) INCOME CALCULATION. The treatment of sections 49.145 (3) (b) 2. and 49.155  
19 (1m) (b) 3. and (c) 1g. and 1h. of the statutes, the renumbering and amendment of  
20 section 49.155 (1m) (c) 1. of the statutes and the creation of section 49.155 (1m) (c)

1 1. a. and b. of the statutes and SECTION 9357 (1) of this act take effect on January 1,  
2 2000.

3 (END)