

Fiscal Estimate Narratives

DCF 2/7/2012

LRB Number 11-3820/4	Introduction Number AB-0534	Estimate Type Original
Description Intentional program violations of public assistance programs		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, if it is determined through a court or administrative hearing that a person intentionally violated any statute or rule related to the Wisconsin Shares (W-2) program, including the Wisconsin Shares child care program, on three separate occasions, a W-2 agency may permanently deny benefits under these programs.

This bill requires the Department, W-2 agency or agency administering Wisconsin Shares (currently counties) to deny W-2, Wisconsin Shares or emergency assistance benefits for six months for a first intentional program violation, one year for a second intentional program violation, and permanently for a third intentional program violation. The bill also provides that the Department, W-2 agency or agency administering Wisconsin Shares shall make the determination on whether the individual has committed an intentional program violation. A person denied benefits may request an administrative review of a denial of W-2 benefits or a contested case hearing of a denial of Wisconsin Shares benefits.

Under current law, there are rare instances where a person receives a permanent benefit denial. This bill is likely to result in benefit reductions to individuals receiving W-2, Wisconsin Shares or emergency assistance benefits who commit intentional program violations as there would now be sanctions for less than three intentional program violations. However, the extent to which agencies will determine intentional program violations and the effect that will have on future determinations of intentional program violations for those individuals cannot be determined.

This change will require some changes to the statewide eligibility system, CARES. It is estimated that this change will require less than two hundred hours of programming time, at an estimated cost of less than \$20,000. The Department would be able to absorb this cost within its existing budget.

Any activities performed by local agencies resulting from this bill would be covered by existing local agency contracts.

Long-Range Fiscal Implications