February 24, 2012 – Introduced by Senators COWLES and TAYLOR, cosponsored by Representatives KERKMAN, JACQUE, KESTELL, KRUG, RIVARD, SPANBAUER and WYNN. Referred to Committee on Public Health, Human Services, and Revenue.

1 **AN ACT** to amend 48.651 (1) (a), 48.651 (1) (b), 49.155 (3m) (e) 2., 49.155 (3m) (e) 3. and 49.162 (2) (b); and to create 49.155 (1m) (a) 6. of the statutes; relating to: eligibility under Wisconsin Shares for a child care subsidy, for payment for child care services, and for certification as a family child care provider.

**Analysis by the Legislative Reference Bureau**

The Wisconsin Works (W−2) program under current law, which is administered by Department of Children and Families (DCF), provides work experience and benefits for low−income custodial parents who are at least 18 years old. Also, an individual who is the parent of a child under the age of 13 or, if the child is disabled, under the age of 19, may receive a child care subsidy under the part of the W−2 program known as Wisconsin Shares if the individual needs child care services to participate in various educational or work activities and satisfies other eligibility criteria. Work activities for which an individual may be eligible for a child care subsidy include work in an unsubsidized job, work in a W−2 employment position, which is subsidized, and participation in a work experience component of the food stamp program, which is also subsidized. This bill expands the work activities for which an individual may be eligible for a child care subsidy to include work in a job under the Transitional Jobs Demonstration Project, which is subsidized but not part of W−2 or the food stamp program.

Under Wisconsin Shares, a child care provider licensed to operate a child care center may not receive payment for providing child care services to a child if the child’s parent or a person with whom the child resides is employed by the child care
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provider. This qualification does not apply if at least 60 percent of the children for whom the child care provider provides care do not have a parent or a person with whom the child resides employed by the child care provider. The bill provides that this qualification does not apply if at least 60 percent of the children for whom the child care provider provides care at all locations, in the aggregate, at which the provider is providing care do not have a parent or a person with whom the child resides employed by the child care provider.

Under current law, to receive reimbursement for providing child care services for an individual who is eligible for a child care subsidy under Wisconsin Shares, a person must be licensed by DCF to operate a child care center or certified by DCF, a county department of human services or social services, or an agency contracted with by DCF to certify child care providers as a Level I or II certified family child care provider. The bill prohibits a person who is licensed to operate a child care center from also being certified as a Level I or II certified family child care provider.

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:

SECTION 1. 48.651 (1) (a) of the statutes is amended to read:

48.651 (1) (a) Level I certified family child care providers, as established by the department under s. 49.155 (1d). No provider may be certified under this paragraph if the provider is licensed under s. 48.65 or is a relative of all of the children for whom the provider provides care.

SECTION 2. 48.651 (1) (b) of the statutes is amended to read:

48.651 (1) (b) Level II certified family child care providers, as established by the department under s. 49.155 (1d). No provider may be certified under this paragraph if the provider is licensed under s. 48.65.

SECTION 3. 49.155 (1m) (a) 6. of the statutes is created to read:

49.155 (1m) (a) 6. Work in a transitional job under s. 49.162.

SECTION 4. 49.155 (3m) (e) 2. of the statutes is amended to read:
49.155 (3m) (e) 2. No funds distributed under par. (a) may be used for child care services that are provided for a child by a child care provider who employs either the parent of the child or a person who resides with the child, unless the child care provider is licensed under s. 48.65 and at all times at least 60 percent of the children for whom the child care provider is providing care at all locations, in the aggregate, at which the provider is providing care are qualifying children.

SECTION 5. 49.155 (3m) (e) 3. of the statutes is amended to read:

49.155 (3m) (e) 3. Notwithstanding subd. 2., if a child care provider described in subd. 2. satisfies the requirements for payment under subd. 2. but the percentage of qualifying children for whom the provider is providing care at all of the provider’s locations in the aggregate falls below 60 percent, the provider shall have 6 weeks to raise the percentage of qualifying children for whom the provider is providing care at all of the provider’s locations in the aggregate to at least 60 percent before payments to the provider are discontinued for child care services provided for a child who is not a qualifying child.

SECTION 6. 49.162 (2) (b) of the statutes is amended to read:

49.162 (2) (b) Be Except as provided in s. 49.155 (1m) (a) 6., be ineligible for Wisconsin Works.