



State of Wisconsin  
2013 - 2014 LEGISLATURE



LRB-1124/4  
PJK:cjs&wlj:rs

DOA:.....Major, BB0367 – Allow subsidy payments for out-of-state providers

**FOR 2013-2015 BUDGET -- NOT READY FOR INTRODUCTION**

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

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*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**WISCONSIN WORKS**

The Wisconsin Works (W-2) program under current law, which is administered by 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, who needs child care services to participate in various educational or work activities, and who satisfies other eligibility criteria may receive a child care subsidy for child care services under the W-2 program. This child care subsidy program is known as Wisconsin Shares. Under current law, a provider that may be paid a subsidy for child care provided under Wisconsin Shares must be licensed or certified by DCF or a child care program established or contracted for by a school board in this state. Counties set the maximum rates at which child care providers who provide services under Wisconsin Shares are reimbursed for their services, subject to review, approval, and modification by DCF. DCF may modify a child care provider's rate on the basis of the provider's quality rating.

This bill provides that an individual who is eligible for a child care subsidy under Wisconsin Shares may use the subsidy for child care that is provided by an out-of-state provider. Under the bill, DCF sets the rate at which the out-of-state provider is paid on the basis of the maximum rate paid to a provider in the county

in which the eligible individual resides or the out-of-state provider's actual rate, whichever is lower. As a condition of payment under Wisconsin Shares, an out-of-state provider must comply with the requirements of Wisconsin Shares that apply to in-state providers, as determined by DCF.

For further information see the *state* 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:***

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

48.651 (1) (intro.) No Except as provided in s. 49.155 (4) (c), no person, other than a child care center licensed under s. 48.65 or established or contracted for under s. 120.13 (14), may receive reimbursement payment for providing child care services for an individual who is determined eligible for a child care subsidy under s. 49.155 unless the person is certified, according to the standards adopted by the department under s. 49.155 (1d), by the department in a county having a population of 500,000 or more, a county department, or an agency with which the department contracts under sub. (2). To be certified under this section, a person must meet the minimum requirements for certification established by the department under s. 49.155 (1d), meet the requirements specified in s. 48.685, and pay the fee specified in sub. (2). The department in a county having a population of 500,000 or more, a county department, or an agency contracted with under sub. (2) shall certify the following categories of child care providers:

\*\*\*\*NOTE: This is reconciled s. 48.651 (1) (intro.). This SECTION has been affected by drafts with the following LRB numbers: LRB-0903/2 and LRB-1124/3.

**SECTION 2.** 49.155 (4) (c) of the statutes is created to read:

49.155 (4) (c) 1. Notwithstanding par. (a) and subject to subd. 2., an eligible individual may receive a child care subsidy under this section for child care that is provided by an out-of-state provider of child care. Notwithstanding sub. (6),

payments for child care services provided by an out-of-state provider under this subdivision shall be based on the maximum rate applicable in the county in which the eligible individual resides or on the out-of-state provider's actual rate, whichever is lower.

2. As a condition of payment under this section for child care services provided to a child of an individual who is eligible for a subsidy under this section, an out-of-state provider is subject to, and shall comply with, the provisions of this section, and rules promulgated under this section, that apply to a child care provider, as determined by the department.

**(END)**