

Fiscal Estimate Narratives

DCF 4/20/2017

LRB Number	17-2745/1	Introduction Number	AB-0240	Estimate Type	Original
Description the school attendance requirement under Learnfare					

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Learnfare program requires school age children of Wisconsin Works (W-2) participants in a paid placement position to meet certain school attendance requirements. An individual fails to meet school attendance requirements if the individual is not enrolled in school or was not enrolled in the immediately preceding semester. The individual could be subject to sanctions for failing to meet the school attendance requirement. The W-2 agency is required to verify enrollment, but the W-2 participant has the primary responsibility to provide the verification. Verification usually comes in the form of a report card or correspondence from the school indicating the child is enrolled.

Under the bill, the school attendance requirement is extended beyond enrollment to include those who are habitually truant, defined as missing five or more days in a semester, either at that time or during the immediately preceding semester. The W-2 agency will be responsible for verifying both enrollment and attendance.

It is anticipated that the W-2 participant will also be responsible for providing verification through additional correspondence from the school indicating that the child is not habitually truant, which would have no fiscal impact. Otherwise, W-2 staff making the eligibility determination may have to contact the school directly, which could increase the length of the application process and utilize increased staff time. However, increases in staff time could be absorbed in the amounts appropriated for the W-2 agency contracts and would not have a fiscal effect for DCF.

Under current policy, if an individual fails to meet the attendance requirements, a referral is made for case management services. A financial penalty of \$50 per month per child, not to exceed \$150 per W-2 Group per month, may be imposed if all of the following conditions are met:

1. The child continues to fail to meet the school attendance requirement;
2. Individuals assigned activities in the Learnfare Case Management Plan failed to cooperate;
3. There was no good cause for failing to cooperate; and
4. A Fact Finding Review was not requested within 10 days of the Learnfare Penalty Notification Date.

A financial penalty cannot be imposed on children who voluntarily continue to participate in Learnfare case management.

Extending the Learnfare requirement to include habitual truants is likely to increase the number of people referred to the Learnfare program for case management services. However, sanctions are only issued after non-cooperation with case management, and there has only been one sanction issued since 2011. It is likely that agencies will be required to provide more case management to more students, but assuming compliance rates remain where they are, the number of sanctions is likely to be very modest, which means there will be minimal effect on the amount of W-2 benefits paid out. Any increased staffing costs could be absorbed by the contracted W-2 agencies.

Long-Range Fiscal Implications