



JERRY PETROWSKI

WISCONSIN STATE SENATOR

Senate Bill 317 / Assembly Bill 440

DCF Modernization

February 4, 2016

Mr. Chairman and members of the committee, thank you for giving me the opportunity to speak today on Assembly Bill 440. This bill makes necessary changes to align state statute with current agency operations and bring us into compliance with federal law. The bill makes changes in the following specific areas:

Home Visitation - The bill changes the eligibility and funding formula under the Family Foundation Comprehensive Home Visiting Grants, allowing the grants to flow to cities in addition to counties, private agencies, and tribes. The bill creates a new funding formula based on the community's need and participation capacity to better meet demand.

Child Support - The bill requires a child support order to assign a dollar amount that the payer is obligated to pay rather than only assigning a percentage of the payer's income in the order. This change is required by federal law.

Domestic Abuse Surcharge - The bill allows a domestic abuse surcharge in deferred prosecution agreements for domestic abuse against an adult. Currently, it is allowed in certain cases of child sexual abuse. It is believed that when 1991 Wisconsin Act 39 was passed, a drafting error linked the domestic abuse surcharge to child sexual abuse cases, rather than to domestic abuse offenses generally. These changes would restore provisions that had been included in the statutes prior to Act 39.

Child Care Provider Vehicle Alarm Inspections - The bill ensures that DCF contracted agencies are required to undergo vehicle alarm inspections in addition to counties. This was an oversight from the initial statute.

Population Changes - The bill changes Milwaukee County references in statute from "a county that has a population of 500,000 or more" to "a county that has a population of 750,000 or more." Due to Dane County's growing population, this change is needed in order for those statutes to continue to apply to only Milwaukee County.

29TH SENATE DISTRICT

Repeal Income Augmentation Statutes - DCF is no longer claiming targeted case management funds under the Medical Assistance program, which was the source of our income augmentation funding, due to the implementation of foster care medical homes under the Care4Kids program.

Various Children and Family Aids Statutory and Appropriation Streamlining - The bill repeals unnecessary appropriations and clarifies appropriation definitions to create a more streamlined appropriation structure. It also repeals obsolete statutory language and modifies statutory language to better align the Children and Family Aids program in DCF with current practices.



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Governor Scott Walker
Secretary Eloise Anderson

Secretary's Office

Date: February 4, 2016
To: Members of the Senate Committee on Judiciary and Public Safety
From: Kim Swissdorf, Budget Director
Re: Department Position on AB 440 – In Support

Senator Wanggaard and the Senate Committee on Judiciary and Public Safety,

Thank you for the opportunity to testify on AB 440. Thank you Representative Neylon and Senator Petrowski for authoring this bill on behalf of DCF.

Home Visiting

AB 440 makes changes to the eligibility and funding formula under the Family Foundation Comprehensive Home Visiting Grants, allowing the grants to flow to cities in addition to counties, private agencies, and tribes. The bill creates a new funding formula based on the community's need and participation capacity to better meet demand.

Under current law, the Department of Children and Families (DCF) provides grants to certain counties, private agencies, and Indian tribes to fund home visitation programs. In a home visitation program, pregnant women who are eligible for Medical Assistance (MA) are offered an opportunity to undergo a risk assessment to determine whether they present risk factors for poor birth outcomes or for perpetrating child abuse or neglect. A person who is assessed to be at risk of poor birth outcomes or of abusing or neglecting his or her child is offered home visitation program services that begin during the prenatal period and may continue up until the child reaches five years of age.

- This bill allows cities to apply for DCF home visiting grants.
- This bill also makes the following changes in the home visiting grant formula:
 - The current formula determines need based on the number of births that are funded by MA in the county, service area of the private agency, or reservation of the tribe, and on the rate of poor birth outcomes, including infant mortality, premature births, low birth weights, and racial or ethnic disproportionality in the rates of those outcomes in that county, service area, or reservation
 - The new formula proposed in the bill determines the need of the county, city, private agency, or Indian tribe AND its capacity to participate in the home visiting program

Child Support

This bill requires a child support order to assign a dollar amount that the payer is obligated to pay rather than only assigning a percentage of the payer's income in the order. This change is required by federal law.

Under current law, a court order for child or family support or maintenance generally sets forth a dollar amount that the payer is obligated to pay. However, under current law, the parties may stipulate that a child or family support or maintenance obligation may be calculated as a percentage of the payer's income.

- Under the bill, regardless of whether the parties have stipulated that the child or family support or maintenance obligation may be calculated as a percentage of the payer's income, an order that assigns the payer's income, including certain benefits he or she receives, must assign a dollar amount that the payer is obligated to pay.
 - Federal law requires states in non-IV-D cases to use the standard Income Withholding order form. The form instructs employers to reject and return to sender any form in which the amount they are instructed to withhold is not a dollar amount. Nothing in 767.75 limits the use of income withholding orders to dollar amounts. This proposal will address the requirement in federal law.

Domestic Abuse Surcharge

AB 440 allows a domestic abuse surcharge in deferred prosecution agreements for domestic abuse against an adult. Currently, it is allowed in certain cases of child sexual abuse. It is believed that when 1991 Wisconsin Act 39 was passed, a drafting error linked the domestic abuse surcharge to child sexual abuse cases, rather than to domestic abuse offenses. These requested changes would restore these provisions that had been included in the statutes prior to Act 39.

Current law allows a district attorney to enter into a deferred prosecution agreement with a defendant who is charged, or who may be charged, with certain crimes related to domestic abuse or to child sexual abuse against a child who is related to or who lived with the person, or over whom the person had guardianship, custody, power, or authority. Generally, in a deferred prosecution agreement, the district attorney agrees to dismiss a charge or not file a charge if the defendant complies with specified conditions, such as paying restitution to the victim or completing counseling or treatment.

Current law allows a deferred prosecution agreement to include, as a condition of the agreement, that the person pay a domestic abuse surcharge and, under certain circumstances, a global positioning surcharge, if he or she faces charges of child sexual abuse and he or she is either a close relative of the alleged victim or is a guardian or legal custodian of the alleged victim.

Under current law, there is no provision that allows a domestic abuse surcharge to be a condition of a deferred prosecution agreement in cases where adults are charged or accused of certain criminal violations where the conduct constituting the violation involved an act against a spouse, former spouse, or an adult with whom the person resides or formerly resided with, or an adult with whom the person has created a child OR in cases where the person violated a domestic abuse restraining order or injunction.

- Under this bill, the statutes are modified to allow the district attorney to impose a domestic abuse surcharge and, if applicable, a global positioning surcharge, to be imposed in deferred prosecution agreements for adults accused of or charged with certain domestic abuse offenses.

Child Care Provider Inspections

This proposal ensures that DCF contracted agencies are required to undergo vehicle alarm inspections in addition to counties. This was an oversight from the initial statute.

State law requires DCF to inspect the child safety alarm of each child care vehicle when conducting inspections of a certified child care provider. When the bill was written a few years ago, the language also included a county department in the inspection requirement, but agencies with whom DCF contracts for child care inspections were not included.

- This bill modifies 48.658(4)(a) to include a DCF contracted agency as entities that must inspect the child safety alarm of each child care vehicle whenever it inspects the child care provider. Currently, they are not required to inspect the vehicles since they are not included in the statute.

Population Changes

AB 440 changes Milwaukee County references in statute from “a county that has a population of 500,000 or more” to “a county that has a population of 750,000 or more.” Due to Dane County’s growing population, this change is needed in order for those statutes to continue to apply to only Milwaukee County.

Various statutes are limited in application to Milwaukee County by references to “a county that has a population of 500,000 or more.” Because of population increases in the state, Dane County is expected to have a population over 500,000 when the census is conducted in 2020.

- This bill changes the population references in Chapters 48 and 49 that relate to children or DCF or Department of Health Services (DHS) responsibilities to “a county that has a population of 750,000 or more” so that those statutes continue to apply only to Milwaukee County.
- This bill does not change the Milwaukee County population references in all of the statutes that impact DCF. The Legislative Reference Bureau is modifying the chapters piecemeal; as they make other modifications to state statutes, they are incorporating the population changes as well.
- There is a broader effort underway in the legislature to review all of the population references in statute to determine whether some should include Dane County as well as Milwaukee County. That review process may result in separate legislation that modifies some of the population references.

Repeal Income Augmentation Statutes

DCF is no longer claiming targeted case management funds under the Medical Assistance program, which was the source of our income augmentation funding, due to the implementation of foster care medical homes under the Care4Kids program.

Department of Health Services

Under current law, the state receives federal money as a result of a contract with the federal Medicare and Medicaid programs. DHS is required to distribute a portion of these income augmentation funds to counties receiving community aids for providing community social, mental health, developmental disabilities, and alcohol and other drug abuse services. This bill eliminates the statutory requirements on spending income augmentation funds by DHS.

- Repeal 46.46 income augmentation statute
- Modify 20.435(8)(mb) Income Augmentation Services Receipts - Eliminates language related to targeted case management funds
- Eliminate the 46.46 income augmentation statutory references in 20.435(8)(mm)

Department of Children and Families

Under current law, DHS receives certain federal MA money to reimburse the cost of providing targeted case management services to children whose care is not eligible for reimbursement under Title IV–E of the federal Social Security Act (Title IV–E). DHS transfers the money to DCF where it is used to support the costs of augmenting the funding received under Title IV–E, implementing the statewide automated child welfare information system, and providing services to children and families. This bill eliminates the transfer of MA money from DHS to DCF for these purposes and eliminates the requirement that DCF supports the costs of augmenting the money received under Title IV–E.

- Repeal 20.437(2)(pz) Income Augmentation Services Receipts
- Repeal income augmentation statute 48.567
- Modify 20.437(3)(kp) Interagency and Intra-agency Aids; Income Augmentation Services Receipts to reference 48.567 in the 2013 Statutes. Since 48.567 will be repealed in the 2015 statutes, this will allow DCF to continue to spend the remaining income augmentation funds already appropriated here while still repealing the income augmentation statutes.

Various Children and Family Aids Statutory and Appropriation Streamlining

Repeals unnecessary appropriations and clarifies appropriation definitions to create a more streamlined appropriation structure. Repeals obsolete statutory language and modifies statutory language to better align the Children and Family Aids program in DCF with current practices.

Children and Family Aids Statutory Streamlining

- Modify 48.563(2)(title) from Basic County Allocation to County Allocation
- Modify 48.563(4) Post-Reunification Services to change appropriation for FED match for post reunification services (IV-E Waiver) from 20.437(1)(o) to (1)(mb)
- Repeal 48.563(14m) County Children and Family Aids Budgets
 - Obsolete and unnecessary
 - Requires counties to submit proposed budget for the expenditure of CFA funds or funds carried over by December 1 of each year, on a form approved by the Department of Administration. This has not been enforced since DCF was created in 2008, and carryover requests are less common.
- Modify 48.565(1), (2), (3), (6) and (8) Carry-over of Children and Family Aids Funds to consolidate, streamline, and reflect current practices
- Modify 48.569(1)(d) to eliminate the maximum amount of donations for total county match
 - Counties are currently required to provide a match for the CFA, and private donations may not exceed 25% of this match. This requirement would be eliminated to allow more flexibility to counties and further public-private partnerships.

Appropriation Streamlining

- Repeal 20.437(1)(d) Interstate Compact for the Placement of Children assessments
 - This appropriation has no funding and the Department has not received any such assessments.
- Repeal 20.437(1)(da) Child Welfare Program Enhancement Plan; Aids
 - It is unnecessary to have a separate appropriation. This bill consolidates 20.437(1)(da) with 20.437(1)(a) (transfer \$1,796,500 GPR annually).

- Modify 20.437(1)(km) Interagency and Intra-agency Aids; Children and Family Aids; Local Assistance
 - Delete language related to TANF funds. TANF is no longer transferred to a separate appropriation to fund child welfare activities. Those activities are paid directly from the TANF aids appropriation 20.437(2)(md).
- Modify 20.437(1)(m) Federal Project Operations and 20.437(1)(ma) Federal Project Aids to delete language for “limited term” projects
 - Any funds received are not for limited term projects, but for continuing appropriations
- Modify 20.437(1)(mc) Federal Block Grant Operations and 20.437(1)(md) Federal Block Grant Aids to exclude TANF and CCDF from definition of block grants spent for child welfare activities
- Repeal 20.437(1)(me) Federal Block Grant Local Assistance
 - Unused appropriation
- Modify 20.437(1)(n) Federal Program Operations and 20.437(1)(na) Federal Program Aids to clarify purposes of appropriations
- Modify 20.437(2)(dz) Temporary Assistance for Needy Families Programs; Maintenance of Effort to clarify that it can be used for any aids/local assistance payments specified under 49.175(1)
- Repeal 20.437(2)(kp) Delinquent Support, Maintenance, and Fee Payments and modify 20.437(2)(ja) to consolidate (2)(kp) with (2)(ja)
- Modify 20.437(2)(md) Federal Block Grant Aids to delete language for supporting children and family aids, which does not receive TANF funds

In addition, Assembly Amendment 1 is a small technical correction to language in the 2015-17 biennial budget surrounding the transfer of the youth aids from Department of Corrections to DCF. The amendment simply removes the word “corrections” when referring to the department so that it will refer to DCF.

The Department thanks Representative Neylon and Senator Petrowski for authoring this bill and thanks the Chair for holding a hearing. I am pleased to answer any of your questions.