



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #200

Create Department of Children and Families (DCF; DHFS -- Children and Families; and DWD -- Departmentwide)

Bill Agency

[LFB 2007-09 Budget Summary: Page 78, #1;
Page 314, #1; Page 596, #4; and Page 599, #6]

CURRENT LAW

Department of Health and Family Services

The Department of Health and Family Services (DHFS) administers several programs that provide services to children and families. These services include, but are not limited to: (a) programs in the Division of Children and Family Services; (b) child abuse and neglect prevention programs; (c) food distribution and hunger prevention programs; and (d) the supplemental food program for women, infants, and children (WIC).

Division of Children and Family Services. DHFS's Division of Children and Family Services' primary responsibility is to administer child welfare-related programs. In Milwaukee County, the state is responsible for the provision of all child welfare services through the Bureau of Milwaukee Child Welfare. In counties other than Milwaukee, the state is responsible for supervising the provision of child welfare services through the juvenile court and the county department of human or social services. Child welfare services include: (a) coordinating the development and provision of services to children and families in which abuse or neglect has occurred or is likely to occur; (b) providing access, investigation, and assessment services to determine if a child is in need of protection or services; (c) dispositional services to the juvenile court in each county, including case management services to children placed in out-of-home care to ensure that permanency plans are carried out; and (d) services provided to children whose parents have had their parental rights terminated and have been placed for adoption.

In addition, the Division operates the statewide automated child welfare information system and provides grants for domestic abuse services.

Child Abuse and Neglect Prevention. DHFS's Division of Public Health currently provides grants for child abuse and neglect prevention through the home visiting program known as Family Foundations. DHFS is required by statute to distribute funds to six rural counties, three urban counties, and two tribes for specified child abuse and neglect prevention activities. The program has two components -- universal home visitation for parents who are eligible for medical assistance (MA) and intervention for families with children who determined to be at risk of abuse or neglect.

Food Distribution and Hunger Prevention. The Division of Public Health also oversees the federal emergency food assistance program (TEFAP). TEFAP is a federal program administered by the U.S. Department of Agriculture (USDA) that makes food available to states to help supplement the diets of low-income individuals. The USDA buys the food, processes and packages it, and ships it to the states. The amount of food that each state receives depends on the state's low-income and unemployed population. In Wisconsin, DHFS oversees program administration, including food transportation, storage and allocation. DHFS selects local organizations to distribute food directly to eligible households.

Supplemental Food Program for Women, Infants, and Children. The WIC program's purpose is to promote and maintain the health and well-being of low-income, nutritionally at-risk pregnant, breastfeeding and postpartum women, infants (up to one year of age) and children (up to five years of age). The WIC program provides supplemental nutritious foods, nutrition education and counseling, and health screenings and referrals for other health, welfare, and social services.

Department of Workforce Development

The economic support program in the Department of Workforce Development (DWD) consists of the following programs: (a) Wisconsin Works (W-2); (b) Wisconsin Shares child care subsidies and programs to enhance child care quality and availability; (c) child support enforcement; (d) other temporary assistance for needy families (TANF) related programs; (e) the refugee assistance program; and (f) state supplement to employment opportunity demonstration projects.

Wisconsin Works. W-2 is the program that replaced aid to families with dependent children (AFDC) in Wisconsin. W-2 is the result of welfare reform initiatives and focuses on placing participants in employment positions: (a) unsubsidized employment; (b) trial jobs; (c) community service jobs; and (d) transitional placements. Participants in each of the W-2 employment positions must meet certain work requirements and are subject to time limits. Cash benefits are also provided to custodial parents of a child who is 12 weeks old or younger.

Wisconsin Shares. Under Wisconsin Shares, the state subsidizes the cost of child care for qualified families by making payments directly to the child care provider chosen by the parent.

The parent is also required to contribute to the cost of child care; the parent's copay amount is based on income, family size, the type of child care selected, and the number of children in care.

Quality Care for Quality Kids. Federal law requires states to use 4% of certain federal and state funding sources for child care quality improvements. Programs to improve child care quality and availability include: (a) technical assistance to child care providers; (b) child care resource and referral agencies; (c) child care scholarships and stipends to attract and retain quality child care workers; (d) the child care information center to assist those who work in the field of child care and early childhood education; and (e) the child care local pass-through program, which provides grants for community child care initiatives.

Child Support Enforcement Program. DWD's Bureau of Child Support administers the child support enforcement program in conformance with Title IV-D of the federal Social Security Act of 1975. The Bureau's primary responsibilities include: (a) developing and administering the state Title IV-D plan; (b) monitoring the activities of county child support agencies to ensure compliance with state and federal law and policies; (c) providing technical assistance, training, and written instructions for county child support agencies; (d) collecting and disbursing child support payments; (e) operating the state parent locator service and a central registry to expedite processing of interstate cases; (f) coordinating intercept programs, property liens, and license suspensions for failure to pay child support; (g) operating a financial record matching program; (h) developing and maintaining a statewide automated child support data system; (i) operating a state directory of new hires in conjunction with DWD's Unemployment Insurance Division; (j) approving reimbursement payments for allowable costs, distributing incentive payments to counties, and establishing fees for non W-2 child support services; (k) maintaining statewide records of collections and disbursements and providing reports to the federal government; (l) publicizing the availability of child support services; and (m) maintaining the child support lien docket.

Other TANF Related Programs. These programs are funded, in whole or in part, with federal TANF revenues. Programs include emergency assistance, which provides assistance to needy persons in cases of fire, flood, natural disaster, energy crisis, homelessness, or impending homelessness, and children first, which provides court-ordered job training and work experience to noncustodial parents.

Refugee Assistance Program. The refugee assistance program provides temporary cash and medical assistance to help arriving refugees while they become self-sufficient.

State Supplement to Employment Opportunity Demonstration Projects. The state supplement to employment opportunity demonstration projects provides funds to community action agencies for job creation and development for individuals with low incomes.

GOVERNOR

Provide \$313,349,700 GPR, \$653,509,600 FED, \$136,796,000 PR, and \$9,645,000 SEG in 2008-09, and 168.30 GPR positions, 238.58 FED positions, and 128.44 PR positions, beginning in 2008-09, to establish a new Department of Children and Families (DCF) on July 1, 2008. These funding amounts and positions would be transferred from DHFS and DWD, as discussed below.

Responsibilities and Duties. The bill would establish DCF under the direction and supervision of the Secretary of Children and Families. The DCF Secretary position would be assigned to executive salary group 6, with a salary range of \$84,733 to \$131,337 (as of April 1, 2007).

The bill would establish five unclassified division administrator positions and authorize three additional unclassified positions for the Secretary, Deputy Secretary, and Executive Assistant. The bill would change six positions that are currently classified positions in DWD and DHFS to unclassified positions to create the division administrator and other executive positions. The bill would create the following divisions in DCF: (a) Division of Administrative Services; (b) Division of State Child Welfare; (c) Division of Milwaukee Child Welfare; (d) Division of Wisconsin Works; and (e) Division of Workforce Supports. The Division of Workforce Supports would include child care, child support, emergency assistance, and WIC.

The bill would transfer the following DHFS programs to the Divisions of State Child Welfare, Milwaukee Child Welfare, and Workforce Supports in DCF: (a) programs in the Division of Children and Family Services; (b) child abuse and neglect prevention; (c) food distribution and hunger prevention; and (d) WIC.

DWD would transfer the following programs to the Divisions of Wisconsin Works and Workforce Supports in DCF: (a) W-2; (b) child care; (c) child support; and (d) other TANF related programs.

The remaining programs in the economic support program in DWD (the refugee assistance program and the state supplement to employment opportunity demonstration projects) would be transferred to DWD's workforce development program.

The bill would require the DCF Secretary to plan for and establish a program of research designed to determine the effectiveness of the treatment, curative, and rehabilitative programs of the various divisions of the Department. The bill would authorize the DCF Secretary to inquire into any matter affecting children and families, hold hearings, subpoena witnesses, and make recommendations on those matters to the appropriate public or private agencies. The bill would also specify that DCF may sue and be sued.

Groups, Boards, and Committees. The bill would add a representative from DCF to the following groups, boards, and committees, which currently have representatives from DHFS, DWD, or both: (a) the technical advisory committee assisting the Special Committee on State-

Tribal Relations; (b) the Small Business Regulatory Review Board; (c) groups that collaborate to develop and implement programs that receive grants from the Office of Justice Assistance for providing alternatives to prosecution and incarceration for criminal offenders who abuse alcohol or other drugs; and (d) oversight committees that advise counties in administering and evaluating a program established under (c).

In addition, the bill would add DCF to a list of agencies that: (a) may procure the exchange of public documents from other states and countries as may be needed for use in office; (b) receive an annual report from the Technical College System Board regarding pupils attending technical colleges; (c) receive contributions directed by court order for the support of a relative placed outside of the home in an institution; (d) in conjunction with the Department of Public Instruction develop and conduct training in suicide prevention and protective behaviors; (e) may request information from the Department of Corrections regarding registered sex offenders; (f) the Department of Regulation and Licensing must cooperate with in developing and maintaining a computer linkup to provide access to information regarding the current status of a credential issued to any person, including whether that credential has been restricted in any way; and (g) may receive notice from a personal representative of the date of the deadline for filing a probate claim.

The bill would attach the Child Abuse and Neglect Prevention Board and the Milwaukee Child Welfare Partnership Council to the new Department for administrative support services. Currently, the Board and Council are attached to DHFS for this purpose. The bill would also transfer the Council on Domestic Abuse from DHFS to DCF.

Funding, Positions, and Assets. The bill would reduce funding and positions for DHFS related to the transfer of programs to DCF by \$152,956,300 GPR, \$212,727,500 FED, and \$68,559,100 PR in 2008-09, and by 151.19 GPR positions, 131.43 FED positions, and 87.4 PR positions, beginning in 2008-09. Of these 307.02 positions, 369.02 positions are classified positions, and 1.0 position is an unclassified position.

The bill would reduce funding and positions for DWD related to the transfer of programs to DCF by \$160,393,400 GPR, \$450,345,300 FED, \$58,423,700 PR, and \$9,645,000 SEG, and by 17.11 GPR positions, 137.54 FED positions, and 10.65 PR positions, beginning in 2008-09. Of these positions, 2.0 positions are project positions, 162.30 positions are classified positions, and 1.0 position is an unclassified position.

There would be no net increase or decrease of funding or positions as a result of the creation of DCF.

Under the bill, the transfer of assets, liabilities, property, positions, contracts, rules, and orders would occur on July 1, 2008. Once the Secretary of the Department of Administration (DOA) determines which positions should be transferred, DWD and DHFS would have to submit a plan to DOA by October 1, 2008, requesting adjustments to the funding being transferred in accordance with those positions, if necessary. In addition, the employees transferred would have the same rights and status they enjoyed in DWD and DHFS. Finally, any matters or actions

taken by DWD or DHFS in relation to the transferred programs would be deemed to have been taken by DCF.

Community Aids and Income Augmentation Funds. The bill would transfer the child welfare funding sources for community aids to DCF as child and family aids. The administration indicates that counties would receive two basic county allocations (BCA), which in sum, would equal what counties would have received under the original BCA if the transfer did not take place. In addition, the bill would transfer the child welfare revenue collected under the DHFS income augmentation program to DCF. The expenditure of income augmentation revenue would still be subject to the same criteria as under current law.

Miscellaneous Provisions. The bill would remove as an issue, from the issues that the Joint Legislative Council could direct the Special Committee on Strengthening Families to study, the following: the advantages and disadvantages of merging the Departments of Workforce Development and Health and Family Services to create a new Department of Family Supports to integrate family services currently administered by multiple departments.

DISCUSSION POINTS

Joint Legislative Council Committee on Strengthening Wisconsin's Families

1. Study committees are established by the Joint Legislative Council to examine major issues and problems identified by the Legislature. Study committees consist of legislators and citizens who are interested in, or knowledgeable about, the study topic.

2. On March 3, 2006, a bill was introduced to establish a Joint Legislative Council Special Committee to examine Wisconsin families. There were concerns that families who faced difficulties did not receive assistance early enough and in a manner that was cohesive and comprehensive. Current systems to assist families appeared to deliver services independent of each other and only after problems had developed. As a result, the Legislature wanted a study committee to look at the problems. To address these concerns, the Special Committee would study issues related to strengthening Wisconsin's families and develop specific recommendations and legislative proposals relating to these issues. The bill was enacted on May 26, 2006, as 2005 Wisconsin Act 467.

3. Act 467 required the Joint Legislative Council to create a Special Committee on Strengthening Wisconsin's Families in each biennium. The Committee expires on December 31, 2010, and includes two Senators (Senators Schultz and Taylor), three Representatives (Representatives Kestell, Pridemore, and Siedel), and 11 public members. Representative Kestell is the Chair of this Special Committee. The Special Committee must report its findings and recommendations to the Joint Legislative Council periodically. One issue Act 467 authorized the Special Committee to study is the advantages and disadvantages of merging DWD and DHFS to create a new Department of Family Supports to integrate family services currently administered by

multiple departments. Attachment 1 lists all of the issues that Act 467 authorized the Special Committee to study.

4. Every interim, the Legislative Council specifies a topic for the Special Committee to study. In the 2006 interim, the charge to the Special Committee is to study the W-2 program and the child welfare system to determine methods to improve collaboration between the two systems in order to support, strengthen, and, in some cases, reunify families. The Special Committee must review recent legislative audits of both systems and determine how the W-2 program may be more supportive of the family unit. The Special Committee must also study how participation in the child welfare system affects the receipt of public benefits and how public benefits affect a parent's ability to meet conditions under a child welfare court order.

5. With respect to the charge for the 2006 interim, the Legislative Council prepared a memorandum on January 3, 2007 (revised March 12, 2007), which listed legislative options for consideration by the Special Committee as suggested by Special Committee members. Attachment 2 lists the topics and legislative options under consideration by the Special Committee.

6. Of the topics listed in Attachment 2, the following relate directly to increasing collaboration between W-2 and the child welfare system: (a) system integration efforts and collaborative service teams; (b) information sharing and confidentiality issues; (c) training in family systems theory; and (d) a state family policy board and local family collaboratives.

7. Systems integration efforts provide a direct approach to increase collaboration between W-2 and the child welfare system. The Special Committee was presented with various systems integration models, including: (a) Families Forward-Wisconsin (FFW); (b) the El Paso County, Colorado program; (c) coordinated service teams; and (d) the Milwaukee Family Services Integration office.

Families Forward-Wisconsin. FFW attempts to improve outcomes for children and families engaged in or at risk of needing services from at least two of the following systems: (a) W-2; (b) child welfare; (c) mental health or (d) alcohol or drug abuse treatment systems. FFW is currently operating in Bayfield, Dane, Kenosha, La Crosse, and Milwaukee Counties.

El Paso County, Colorado. The El Paso County program shifted to a less adversarial approach and reduced court involvement in child welfare cases in favor of community involvement. The program emphasizes individual efforts of leadership and flexibility in funding.

Coordinated Service Teams. Coordinated service teams attempt to coordinate the delivery of services for families involved in multiple systems of care by developing a team of service providers from the family, the family's systems of care, and members of the family's informal support network. Currently, 26 counties (Adams, Bayfield, Brown, Buffalo, Calumet, Crawford, Douglas, Eau Claire, Grant, Green Lake, Iron, Jefferson, Juneau, La Crosse, Lafayette, Manitowoc, Marquette, Pierce, Polk, Portage, Richland, Sauk, Sheboygan, St. Croix, Waupaca, and Washburn) and the Lac Courte Oreilles tribe have coordinated service teams.

Milwaukee Family Services Integration Office. This office focuses on systems integration between W-2 and the child welfare system to advance FFW (described above), as well as integration of employment and human services programs targeted at the corrections population and participants in the public health birth outcomes improvement project.

8. Confidentiality may be perceived as a barrier to integration programs. The Special Committee studied current laws regarding confidentiality and current information sharing abilities. The Special Committee continues to explore options to increase information sharing between W-2 and the child welfare system.

9. Family systems theory is composed of the following principles: (a) holistic approach (individuals cannot be separated from the family and cannot be understood in isolation from one another); (b) predictable pattern (history often repeats itself within a family and within generations); (c) defined boundaries (degree to which families allow outside forces to influence their family system); (d) unwritten rules of engagement (dictate how members of the family interact with one another); (e) resistance to change; and (f) solutions are within the family (family has skills and resources to contribute to solutions).

To focus on the holistic approach of the family systems theory, the Special Committee has discussed whether to require training in this theory for child welfare workers, W-2 workers, school personnel, and law enforcement personnel.

10. Finally, the Special Committee has been presented with information regarding family policy boards, or similar entities, in several states. Family policy boards encourage formation, at the local level, of collaborative structures that provide integrated services for families. In Wisconsin, the Child Abuse and Neglect Prevention (CANP) Board brings representatives of several agencies together to improve coordination of programs affecting children and families. The CANP Board makes recommendations to the Governor, the Legislature, and state agencies for changes necessary in state programs, statutes, policies, budgets, and rules to reduce problems of child abuse and neglect, improve coordination among state agencies that provide prevention services, promote individual, family, and community strengths, build parenting skills, and provide community support for children and families. The CANP Board is also involved in several collaborative efforts to strengthen families and improve child well-being and in the Strengthening Families through Early Care and Education initiative. The Special Committee has considered whether to expand the CANP Board or create a new family policy board to oversee the state's efforts to strengthen Wisconsin's families.

11. No recommendations have yet been made by the Special Committee to the Joint Legislative Council. The Special Committee has met seven times and expires on December 31, 2010.

Department of Children and Families

12. The administration has requested changes to the bill that would: (a) modify the community aids basic county allocation in DHFS for 2008-09 from \$176,255,400 to \$176,068,400

to reflect an additional transfer of \$187,000 (\$151,200 GPR and \$35,800 FED) to DCF to support child abuse prevention activities; (b) permit county departments to transfer funds between the two basic county allocations for the new split of community aids funds; (c) reduce 0.10 FED position in DCF for WIC operations and restore 0.10 FED position in DHFS; and (d) convert 1.0 classified position, which serves as the Director of the Office of Urban Development, to 1.0 unclassified position to correct an error in the budget bill relating to a standard adjustment for DHFS.

13. In 2004, the Governor introduced his KidsFirst initiative. KidsFirst is an initiative to improve the lives of the state's children and consists of four parts: (a) ensuring that children are prepared for school and ready to succeed; (b) keeping children safe; (c) making sure children are supported by strong, successful families; and (d) ensuring that children are healthy. Attachment 3 lists the components of each of the parts.

14. The administration indicates that the creation of DCF continues the KidsFirst initiative to improve government services for children by: (a) promoting the economic and social well-being and safety of children and families; (b) integrating key state programs such as the child welfare program, the child support program, the child care subsidy program, the home visiting program, the WIC program, and the W-2 program; (c) increasing the amount of attention the state gives in helping to protect the most vulnerable children and families; and (d) sharpening the focus of DHFS and DWD on fostering access to quality and affordable health care and building the workforce. The stated goals of the creation of DCF mirror some of the goals for strengthening families by the Special Committee.

15. The administration cites several other reasons for the creation of DCF. First, the administration states that the new agency would bring together programs from DHFS and DWD that focus on children and families. DCF would be the state's first agency devoted exclusively to helping and protecting the most vulnerable children and families in the state. Rather than families having to work with two state agencies for programs that may affect their families, these programs would be combined in one agency, making it easier for families to work through the bureaucracy.

16. On the other hand, many of these families would need medical, FoodShare, and perhaps other assistance. Therefore, families would still work with more than one state agency, and perhaps more than two agencies, especially if the family included a person with a disability. Approximately 99% of W-2 participants are also enrolled in medical assistance (MA), and 90% also receive FoodShare benefits. Under the bill, FoodShare and MA would remain in DHFS, so most families would continue to be involved with more than one state agency.

17. In addition, families involved with W-2 and child welfare may also have issues with mental health, alcohol or drug abuse, or a family member with a disability. Under the bill, mental health programs, alcohol and drug abuse programs, and disability programs would remain in DHFS. Also, employment opportunities for individuals with disabilities would be provided under DWD's Department of Vocational Rehabilitation, which could force families to interact with three separate agencies instead of two under current law.

18. Second, the administration has suggested that the merging of programs affecting

children and families could create efficiencies by streamlining programs and services, resulting in administrative savings. However, no savings are estimated under the bill. In addition, there would be a small amount of moving costs in the merger of these programs. The administration indicates moving costs would only apply to four positions: (a) Secretary; (b) Deputy Secretary; (c) Executive Assistant; and (d) General Counsel. The other positions for DCF would physically remain at their current locations, housed in DHFS and DWD. Total moving costs are estimated at \$2,000. No additional funding is provided under the bill for moving costs. The administration would expect DCF to absorb these costs.

19. Third, the administration states that DCF would provide statewide leadership and direction in planning, managing, and coordinating the statewide administration of programs for low-income children and families in the state. However, currently both DWD and DHFS are cabinet level agencies headed by Secretaries who report to the Governor. The Secretaries of DWD and DHFS can coordinate and collaborate at the direction of the Governor to provide statewide leadership and direction in planning, managing, and coordinating the statewide administration of programs for low-income children and families.

20. Finally, the administration notes that the merging of programs affecting children and families could promote collaboration between child welfare and W-2, one of the goals of the Joint Legislative Council Special Committee. The administration provided several articles in support of this position. It should be noted that, although the focus is on increasing collaboration between child welfare and W-2, the other programs being transferred to DCF are closely related to either child welfare or W-2, and can be considered either child welfare related or W-2 related for purposes of this discussion.

21. Many families participate in both W-2 and the child welfare system. It is estimated that more than half of all foster children come from families that are eligible for welfare (W-2 in Wisconsin). A 2001 article entitled *Welfare Reform's Effect on Child Welfare Caseloads*, by Rob Geen et. al, indicated that 70% to 90% of families that receive in-home support services through the child welfare system are also receiving cash assistance.

22. In addition, a working paper prepared by Chapin Hall, Center for Children, reported on child welfare services involvement with W-2 participants based on the Milwaukee TANF Applicant Study. The study is following 1,075 Milwaukee County family heads who applied for assistance from W-2 between March and August, 1999. The paper indicates that nearly two-thirds of the W-2 applicants experienced at least one child protective services investigation, either before the application for W-2, after the application, or both. Also, more than one-quarter of the W-2 applicants had a child placed outside the home. The paper points to the overlap of families in W-2 and the child welfare system, and recommends greater coordination between W-2 and child welfare agencies. The paper noted that without greater coordination, it could be difficult for parents to meet the demands of both programs.

23. Finally, a 2002 article entitled *Collaboration between State Welfare and Child Welfare Agencies*, by Cynthia Andrews et. al, states that welfare and child welfare agencies can collaborate to ease the burden on families and promote child protection and self-sufficiency. The

article recommends collaboration through: (a) coordinating case plans; (b) improving information sharing between agencies; (c) co-locating offices; (d) creating new staff liaison positions; and (e) addressing family issues, such as sanctioned families and families approaching time limits on welfare, domestic violence, teen parents, substance abuse, and mental health problems.

24. It is unclear how creating DCF would increase collaboration among W-2, child welfare, and other programs affecting families. As noted above, staff from DHFS and DWD would not be co-locating into a new, joint location. Instead, only the executive staff would be relocated. Staff that are currently located in DHFS and DWD that would be transferred to DCF would remain located in DHFS and DWD. In addition, no new positions would be created to ensure collaboration among the programs transferred to DCF.

25. Coordinating case plans, improving information sharing, and addressing family issues may all be addressed without creating a new agency. In fact, the FFW pilot program described above is an example of increased collaboration among programs and separate state agencies. FFW began in July, 2004. Although no formal evaluation of FFW has been completed, the Institute for Research on Poverty issued a progress report in January, 2007. The report discussed the attributes, benchmarks, and outcomes of the programs at each site of the pilot project. The report also explains the complexity of systems integration efforts, noting several different layers and methods to accomplish increased collaboration among programs. In addition, FFW attempts to increase collaboration not just between child welfare and W-2, but also with mental health and alcohol or drug abuse issues. However, as noted, mental health and alcohol and drug abuse programs would remain in DHFS.

26. In addition, other efforts to increase collaboration have been or will be done without creating a new agency. In addition to FFW, the Special Committee has received information about several programs or initiatives that increase collaboration among programs without the requirement of a new agency: (a) coordinated service teams; (b) the Milwaukee family services integration office; and (c) the CANP Board.

27. If the goal of merging various programs into DCF is to increase collaboration among these programs, the administration does not indicate how increased collaboration would occur by creating a new agency. The administration does not discuss any of the methods indicated in the articles or reports to increase collaboration. No details have been provided by the administration to establish a plan to increase collaboration other than transferring programs to a new agency under the direction of one Secretary. The administration indicates that details would be determined at a later date before the new agency is created on July 1, 2008.

28. As noted above, the Special Committee on Strengthening Wisconsin's Families has been studying the issue of greater collaboration between W-2 and child welfare, as well as other programs that affect families. The Committee could delete the provision to create DCF and transfer the programs from DHFS and DWD in order to let the Special Committee continue its work and make further recommendations. Given that details do not yet exist as to how this new agency will increase collaboration, further study could be helpful. Collaboration and integration of programs is a complicated and detailed process. Therefore, the Legislature may wish to have more oversight

over the process. Rather than have DHFS, DWD, and DOA determine the details of the collaboration process after the budget is passed, the Committee may wish to let the Special Committee continue its study of the issues. Once recommendations have been made, a separate bill could be introduced with the Special Committee's recommendations.

29. On the other hand, creating a new agency to focus on programs that affect families and children could be the first step towards collaboration. The administration indicates that a necessary first step for the integration of the programs that affect children and families is to have executive decisions regarding these programs come from a single, cabinet level Secretary. Although the creation of the new agency itself does not mean that collaboration would follow, it could make it easier for collaboration to take place. The creation of DCF could be the first step in a series of steps to increase collaboration among these programs. The administration indicates that these next steps towards integration of these programs would occur after the budget is passed and before the new agency is established July 1, 2008. The Committee could approve the Governor's recommendation to create DCF under the bill as a first step towards collaboration.

30. Although no recommendations have yet been made by the Special Committee, the Committee has discussed the Governor's proposal to create the Department of Children and Families. Overall, the Special Committee supports this recommendation. However, some members have indicated concerns regarding which programs would transfer to DCF and how DCF would increase collaboration.

Specific Programs Related to Children and Families

31. The bill would transfer two nutrition programs, WIC and TEFAP, from DHFS to DCF, while the state's largest nutrition program, FoodShare, would remain at DHFS. Because eligibility for FoodShare is integrated with Medicaid eligibility, it is more efficient to maintain FoodShare at DHFS. Additionally, the administration argues that FoodShare is primarily a health program, given the connection between nutritious food and good health. WIC serves women who are pregnant, breastfeeding, or new mothers; and children up to age five. Although TEFAP serves anyone who is at or below 185% of the federal poverty line, and has age and family requirements, the administration of the program is integrated with WIC, so transferring WIC without TEFAP would impair the TEFAP program. Given that the WIC program focuses on women and children, the Committee may wish to transfer these two programs to DCF, as provided in the bill.

32. On the other hand, the TEFAP program does not focus on children and families. Additionally, given that the FoodShare is considered a health program by the administration, WIC and TEFAP could also be considered health programs. Many families receiving WIC benefits are also eligible to receive FoodShare benefits. For families receiving both WIC and FoodShare benefits, transferring WIC and TEFAP to DCF could cause additional confusion. The Committee may wish to maintain WIC and TEFAP at DHFS in order to keep all nutrition programs together in one department. This option is presented under Alternative 3.

33. Some concerns have also been raised about transferring W-2 to DCF. With welfare reform, the emphasis shifted from an entitlement benefit program to a work program. Moving W-2

from DWD, with its emphasis on work, to DCF, with its emphasis on families and children, could be viewed as diminishing the role of work under W-2. The Committee could retain W-2 in DWD, as provided in Alternative 4.

34. However, given the overlap of families in both W-2 and the child welfare system, the goal is for these programs to collaborate to produce better outcomes for these families. Therefore, the Committee could transfer W-2 to DCF along with child care, child support, and other TANF related programs.

35. Some concerns have been raised about certain programs that have not been chosen for transfer to the new agency. Programs that affect families and children that are not transferred to DCF include: (a) juvenile corrections; (b) programs involving disabled children; and (c) mental health and drug or alcohol abuse programs.

The bill would not transfer the Division of Juvenile Corrections (DJC) from the Department of Corrections to DCF. Given the connection between child abuse and juvenile delinquency, transferring DJC to DCF could be desirable to increase focus on children's development and treatment, rather than punishment. On the other hand, transferring DJC may interfere with the continuity of services including: administrative, programmatic and institutional, that apply to both juvenile and adult offenders. Placement in a juvenile correctional facility may be viewed as the maximum juvenile punishment, and the penultimate justice system placement prior to the adult correctional system. As such, DJC may be appropriately placed in the Department of Corrections.

The proposal also does not transfer services and programs specific to children with disabilities to DCF. Families who have a child with disabilities and are involved in the child welfare system would be served by two separate state agencies under the bill. On the other hand, it may be appropriate to retain services and programs for individuals with disabilities in DHFS because of the connection between these services and long-term care for people with disabilities. The transition from childhood services to long-term services may be easier for families if these programs remain at DHFS.

Finally, the proposal does not transfer services and programs for mental health and substance abuse to DCF. In addition to child mental health issues, parental mental health and/or substance abuse issues are major risk factors for child abuse and neglect. On the other hand, given the connection between mental health/substance abuse and health, it may be appropriate to retain the programs in DHFS.

The Legislature can consider future legislation as recommended by the Special Committee on Strengthening Wisconsin's Families as the Special Committee continues to study these issues.

Other DHFS Program Changes

36. The bill would change the funding source for HIV prevention competitive grants to nonprofit corporations or public agencies up to \$75,000 in each fiscal year from the Division of Children and Family Services to the Division of Public Health (DPH) within DHFS. Programs

related to HIV treatment and services are located within DPH.

Other DWD Program Changes

37. The bill would also transfer \$237,500 GPR, \$6,035,300 FED, and \$4,069,500 PR in 2008-09 and 9.05 FED positions and 41.4 PR positions, beginning in 2008-09, from the economic support program in DWD to the workforce development program in DWD. These amounts reflect the transfer of the refugee assistance program, the state supplement to employment opportunity demonstration projects, funding and positions from the interagency and intra-agency programs appropriation (which support job services positions), and unclassified position authority.

38. The refugee assistance program provides temporary assistance to help arriving refugees while they become self-sufficient. DWD also has a Bureau of Migrant, Refugee, and Labor Services in the Division of Workforce Solutions. This Bureau coordinates services to all foreign born persons and their families, all migrant workers, and employers who hire foreign and/or limited English proficient workers. The administration indicates that the refugee assistance program better fits with the Bureau of Migrant, Refugee, and Labor Services rather than with DCF, which focuses on programs affecting families and children.

39. The state supplement to employment opportunity demonstration projects provides funds to community action agencies for job creation and development for individuals with low incomes. The administration indicates that this program is more closely related to workforce development job training than to core W-2 activities. Therefore, this program would remain with DWD rather than be transferred to DCF.

ALTERNATIVES TO BILL

Department of Children and Families

1. Approve the Governor's recommendation, including the administration's requested changes to the bill described in discussion point #12.

ALT 1-DCF	Change to Bill		Change to Base	
	Funding	Positions	Funding	Positions
GPR	\$151,200	0.00	\$313,500,900	168.30
FED	35,800	- 0.10	653,545,400	238.48
PR	0	0.00	136,796,000	128.44
SEG	0	0.00	9,645,000	0.00
Total	\$187,000	- 0.10	\$1,113,487,300	535.22

ALT 1-DHFS	Change to Bill		Change to Base	
	Funding	Positions	Funding	Positions
GPR	-\$151,200	0.00	-\$153,107,500	- 151.19
FED	- 35,800	0.10	- 212,763,300	- 131.33
PR	0	0.00	- 68,559,100	- 87.40
Total	-\$187,000	0.10	-\$434,429,900	- 369.92

	Change to Bill		Change to Base	
	Funding	Positions	Funding	Positions
GPR	\$0	0.00	-\$160,393,400	- 17.11
FED	0	0.00	- 450,345,300	- 137.54
PR	0	0.00	- 58,423,700	- 10.65
SEG	<u>0</u>	<u>0.00</u>	<u>- 9,645,000</u>	<u>0.00</u>
Total	\$0	0.00	-\$678,807,400	- 165.30

2. Delete provision.

	Change to Bill		Change to Base	
	Funding	Positions	Funding	Positions
GPR	-\$313,349,700	- 168.30	\$0	0.00
FED	- 653,509,600	- 238.58	0	0.00
PR	- 136,796,000	- 128.44	0	0.00
SEG	<u>- 9,645,000</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Total	-\$1,113,300,300	- 535.32	\$0	0.00

	Change to Bill		Change to Base	
	Funding	Positions	Funding	Positions
GPR	\$152,956,300	151.19	\$0	0.00
FED	212,727,500	131.43	0	0.00
PR	68,559,100	87.40	0	0.00
SEG	<u>0</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Total	\$434,242,900	370.02	\$0	0.00

	Change to Bill		Change to Base	
	Funding	Positions	Funding	Positions
GPR	\$160,393,400	17.11	\$0	0.00
FED	450,345,300	137.54	0	0.00
PR	58,423,700	10.65	0	0.00
SEG	<u>9,645,000</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Total	\$678,807,400	165.30	\$0	0.00

Specific Programs Related to Children and Families

Alternatives 3 and 4 do not show changes to base level funding because these amounts would vary depending on all of the alternatives chosen.

3. In addition to Alternative 1, modify the Governor's recommendation to retain TEFAP and WIC in the Department of Health and Family Services, rather than transfer these programs to the Department of Children and Families.

ALT 3-DCF	Change to Bill	
	Funding	Positions
GPR	- \$370,000	- 0.50
FED	- 70,414,000	- 28.83
PR	- 308,900	0.00
Total	- \$71,092,900	- 29.33

ALT 3-DHFS	Change to Bill	
	Funding	Positions
GPR	\$370,000	0.50
FED	70,414,000	28.83
PR	308,900	0.00
Total	\$71,092,900	29.33

4. In addition to Alternative 1, modify the Governor's recommendation to retain W-2 in the Department of Workforce Development, rather than transfer W-2 to the Department of Children and Families. Although this alternative shows an increase in funding for DWD, these funds would be transferred from DCF as program revenue-service (PR-S) funds. Therefore, overall state funding would not increase.

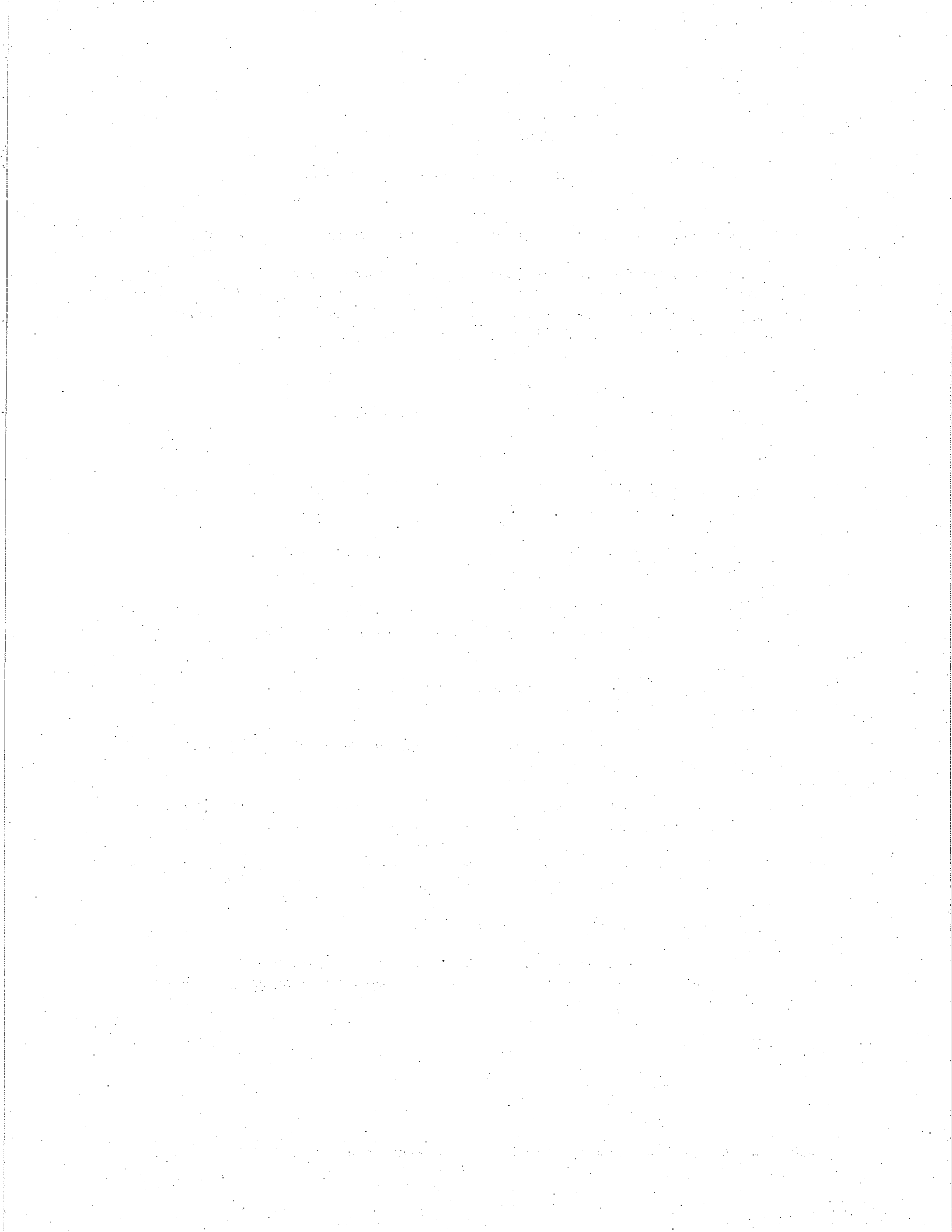
ALT 4-DWD	Change to Bill	
	Funding	Positions
PR	\$229,497,000	80.76

Prepared by: Kim Swissdorf and Katie Maguire
Attachments

ATTACHMENT 1

Issues for the Special Committee on Strengthening Wisconsin Families to Study

- Ways to increase awareness of the importance of families in society and resolving social issues.
- The establishment of a state council to improve coordination among state agencies of programs that affect families; to set priorities for state agencies based on community and family needs; to consolidate funding for programs and services that affect families; and to encourage local communities to form local collaborative entities to coordinate, decrease duplication of, and streamline the delivery of services provided by public and private entities to families, children, and youth.
- Ways to target public moneys for family services and not individuals.
- Existing laws relating to strengthening families.
- Ways in which the results from the scientific study of attachment and brain development can be incorporated into public schools, day care centers, and homes.
- Child support and custody issues involving fathers, for the purpose of ensuring that fathers are appropriately engaged in the lives of their children.
- Changes to state agency rules, policies, guidelines, and procedures to strengthen families, reduce reliance on social service professionals for family support, and maximize community support for families.
- Identification of qualities held by successful Wisconsin families and recommendation of legislation to support those qualities.
- Changes to the state tax code to strengthen families and provide incentives to engage in family-supporting activities and services.
- The advantages and disadvantages of merging DWD and DHFS to create a new Department of Family Supports to integrate family services currently administered by multiple departments.
- Proposed legislation to create a reconciliation council that would seek to bridge cultural and religious differences among different cultural and religious groups.
- Identification of support of private sector initiatives to strengthen families.
- Ways in which local government services can be performed by volunteer groups of individuals and ways in which saved moneys currently spent for these services by local governments can be allocated to the volunteer groups.
- Health care.



ATTACHMENT 2

Topics and Legislative Options Under Consideration by The Special Committee on Strengthening Wisconsin Families

System Integration Efforts and Collaborative Service Teams

- Mandate or encourage programs modeled on Families-Forward Wisconsin to be adopted statewide.
- Pursue the establishment of options in counties that are modeled after the systems integration program adopted by El Paso County, Colorado.
- Mandate or encourage statewide establishment of collaborative service teams.
- Create offices similar to the Milwaukee Family Services Integration office throughout the state.

Transportation Issues

- Direct the Department of Transportation to promote awareness of the changes to the habitual traffic offender law.
- Provide funding to decrease geographic barriers to employment access through programs similar to the Ozaukee County Express.

Information Sharing and Confidentiality Issues

- Explore options to increase information sharing abilities of child welfare and W-2 agencies, including:
 - Expand the existing lists that authorize information sharing to include additional entities and situations chosen by the Special Committee.
 - Draft more precise or extensive legislation that applies only to systems integration efforts.
 - Pursue expanded use of a "release of information" procedure for either of those situations.
- Increase awareness about existing law and proposed legislation related to confidentiality.

Family Impact Statements

- Require family impact statements for new legislation, or administrative rules, or both. Questions could include:
 - Which categories of legislation and administrative rules would the requirement apply to?
 - What would be the scope and format of the required analysis?
 - Would additional agency personnel be allocated to this task?

ATTACHMENT 2 (continued)

Topics and Legislative Options Under Consideration by The Special Committee on Strengthening Wisconsin Families

Adult Basic Education

- Require the Wisconsin Technical College System (WTCS) to track the number of students getting the general equivalency diploma (GED) or high school equivalency diploma (HSED) who then transition into degree-granting programs. Report back to the Legislature annually on these numbers.
- Using the data above, set annual improvement goals for the numbers of GED and HSED completers making that transition at technical colleges.
- Require WTCS to reexamine the current admissions policy that requires a GED or HSED is required for entry into nearly all degree and diploma programming. After devising a list of diploma and degree programs whose actual training and coursework completion are deemed to not be contingent upon first having the GED or HSED, allow students to be dual enrolled in both those and basic education courses.
- Expand access to state financial aid tools to technical college students attending on a less than half-time basis.

Home Visitation Programs

- Recommend funding to implement the Family Foundations or a similar home visitation model statewide during the 2007-09 biennium. Target the funding to population centers based on a formula that takes into account the number of medical assistance funded births, and possibly other factors, such as the number of child abuse and neglect substantiated findings, the number of children in out-of-home care, or other indicators.
- Recommend phasing in statewide implementation of Family Foundations over two or more biennia.

Training in Family Systems Theory

- Establish family systems training standards for DHFS child welfare workers and DWD W-2 workers. Require completion of this training for all current and new workers, by a specified date. Questions which could be asked regarding this proposal include:
 - What is the deadline for completion of this training?
 - Will current workers be required to be trained, or will they be "grandfathered" in?
 - Which entities may provide the training?
 - How many hours of training would be required?
 - How will the training be funded?
- Establish family systems training standards for school personnel and law enforcement personnel. Require completion of this training for all of these personnel. If this is recommended, the same questions above should be examined.

ATTACHMENT 2 (continued)

Topics and Legislative Options Under Consideration by The Special Committee on Strengthening Wisconsin Families

State Family Policy Board and Local Family Collaboratives

- Retain and emphasize the role of the Children's Trust Fund as a collaborative, state-level entity to improve coordination among state agencies that provide prevention services, promote individual, family, and community strengths, build parenting skills, and provide community support for children and families.
- Create a new state-level family policy board to promote the coordination of services to families to achieve several goals, including child health, school readiness, and healthy communities; establish a policy for member agencies that priority is given to promotion of healthy families through provision of comprehensive, integrated services; recommend policies to the Governor and Legislature regarding service coordination and funding consolidation for services to families; and encourage communities to form local family collaboratives.
- Rename the Children's Trust Fund as the Family Policy Board, and expand its duties and membership.

Fatherhood Initiatives

- Expand current state efforts to provide fatherhood training, such as through the Nurturing Fathers program, by one or all of the following methods:
 - Require Nurturing Fathers training (or similar fatherhood training) for fathers who are leaving the correctional system.
 - Require DWD to provide Nurturing Fathers training (or similar training) to all Children First program participants.
 - Require DHFS to expand the initiative to strengthen the relationship between noncustodial fathers who may have children in the child welfare system by providing Nurturing Fathers training (or similar training) to these fathers.
 - Develop an initiative to expand Nurturing Fathers training (or similar training) to expectant fathers during the prenatal period to enhance healthy birth outcomes for children and mothers.
- Provide support for establishing Fatherhood Summits, like the Milwaukee Fatherhood Summit, in other areas throughout the state that provide workshops in various topics to fathers.

W-2 Program Changes

- Require participants in W-2 work programs to work 40 hours per week. Education and training hours would not be counted in the 40 hours.
- Require W-2 participants who are enrolled in any postsecondary education activities to take out loans to finance their education.

ATTACHMENT 2 (continued)

Topics and Legislative Options Under Consideration by The Special Committee on Strengthening Wisconsin Families

Equalizing Periods of Physical Placement

- Modify the law relating to establishing periods of physical placement by requiring the court to consider the parenting plans filed by the parties, and requiring the court to set a placement schedule that equalizes, to the highest degree possible, the amount of time the child may spend with each parent, taking into account geographic separation and accommodations for different households.
- Modify the law relating to modification of custody and physical placement orders to require the court to set a physical placement schedule that equalizes, to the highest degree possible, the time each parent spends with his or her child.
- Require a guardian ad litem's advocacy in an action affecting the family to be consistent with requirements that apply to a court in making its initial determination on legal custody and physical placement.

ATTACHMENT 3

Components of the KidsFirst Initiative

Ready for Success

- Improve parent options and reward high quality programs
- Invest in a high quality early childhood development workforce
- Invest in a four-year-old kindergarten
- Promote literacy

Safe Kids

- Recruit and support quality foster care and adoptive homes
- Improve child welfare services
- Reduce family violence
- Ensure safe routes to school
- Promote child transportation safety

Strong Families

- Initiate a universal home visiting program
- Connect families with support services
- Improve the child support system
- Break the cycle of incarceration

Healthy Kids

- Provide all children with health care coverage
- Improve oral health care
- Immunize children on time
- Serve kids a healthy school breakfast
- Ensure eligible families receive food stamps
- Teach children fitness and nutrition for life
- Reduce youth smoking
- Step-up efforts to reduce teen pregnancy
- Reduce exposure to lead paint
- Help kids with asthma
- Give infants a healthy start
- Promote early childhood mental health

