

CHILDREN AND FAMILIES

Budget Summary							
Fund	2020-21 Base Year Doubled	2021-23 Governor	2021-23 Jt. Finance	Joint Finance Change to:			
				Governor		Base	
				Amount	Percent	Amount	Percent
GPR	\$973,317,600	\$1,220,192,000	\$993,563,800	- \$226,628,200	- 18.6%	\$20,246,200	2.1%
FED	1,570,480,400	1,646,099,200	1,624,100,300	- 21,998,900	- 1.3	53,619,900	3.4
PR	245,485,000	239,981,000	239,728,400	- 252,600	- 0.1	- 5,756,600	- 2.3
SEG	<u>18,549,400</u>	<u>23,549,400</u>	<u>18,549,400</u>	<u>- 5,000,000</u>	- 21.2	<u>0</u>	0.0
TOTAL	\$2,807,832,400	\$3,129,821,600	\$2,875,941,900	- \$253,879,700	- 8.1%	\$68,109,500	2.4%

FTE Position Summary					
Fund	2020-21 Base	2022-23 Governor	2022-23 Jt. Finance	Joint Finance Change to:	
				Governor	2020-21 Base
GPR	232.92	240.10	232.92	- 7.18	0.00
FED	387.49	386.56	385.74	- 0.82	- 1.75
PR	<u>179.51</u>	<u>179.51</u>	<u>179.51</u>	<u>0.00</u>	<u>0.00</u>
TOTAL	799.92	806.17	798.17	- 8.00	- 1.75

Budget Change Items

TANF and Economic Support

1. TANF AND CCDF RELATED REVENUES AND EXPENDITURES

This item presents summaries of estimates of revenue available to fund economic support and TANF-funded programs in the 2021-23 biennium, and how funding for these programs would be budgeted under the Governor's bill (Table 1) and under the Joint Finance bill (Table 2). "TANF" refers to the federal temporary assistance for needy families program. "CCDF" refers to the Child Care Development Fund, which is comprised of funding the state receives under the federal Social Security Act and the Child Care and Development Block Grant (CCDBG).

Governor

Revenues. The administration estimates total revenues for TANF-related programs at \$622.5

million in 2021-22 and \$626.1 million in 2022-23. State funding includes \$174.0 million; \$160.4 million GPR (the state's TANF maintenance of effort amount), \$4.5 million PR, and \$9.1 million SEG) annually. The program revenue includes the state's share of overpayment recoveries, child support collections that are assigned to the state by public assistance recipients, and child care licensing fees. The segregated revenue is from the utility public benefits fund. Ongoing federal funding is estimated at \$448.5 million in 2021-22 and \$452.1 million in 2022-23. Federal funds include monies from the TANF block grant, the child care development block grant, and recoveries of overpayments to Wisconsin Works (W-2) recipients. The carryover from the 2020-21 ending TANF balance is estimated at \$290.5 million.

Expenditures. Under the Governor's bill, the total amount that would be budgeted for TANF-related programs would be \$738.1 million in 2021-22 and \$705.7 million in 2022-23. These amounts include all funds, and represent an increase from the base budget of \$33.6 million in 2021-22 and an increase of \$1.2 million in 2022-23. Federal law allows the state to carry forward unexpended TANF funding without fiscal year limitation. The projected TANF-related balance at the end of the 2021-23 biennium would be \$95.3 million, which could be carried over into the 2023-25 biennium.

TABLE 1
Summary of TANF/CCDF Budget
Governor

	2019-20	2020-21	Governor's Budget		Change to Base		Item
	Actual	Adjusted Base	2021-22	2022-23	2021-22	2022-23	
Opening Balance (Carryover)	\$341,067,500		\$290,459,000	\$174,828,200			
Revenue							
GPR Appropriations Base Funding	\$160,231,700	\$160,381,400	\$160,381,400	\$160,381,400	\$0	\$0	
FED -- TANF Block Grant	312,846,000	312,059,600	307,336,800	311,009,600	-4,722,800	-1,050,000	
FED -- CCDBG	134,706,700	126,889,000	136,819,100	136,819,100	9,930,100	9,930,100	
FED -- CCDF & TANF Recoveries	4,513,700	4,287,600	4,287,600	4,287,600	0	0	
PR -- Child Support Collections	4,876,500	2,749,000	2,749,000	2,749,000	0	0	
PR -- Child Care Fees	1,510,400	1,778,400	1,500,000	1,500,000	-278,400	-278,400	31
PR -- Social Services Block Grant	100,000	100,000	100,000	100,000	0	0	
PR -- Public Assistance Recoveries	36,700	160,600	160,600	160,600	0	0	
SEG -- Public Benefits Fund (SEG)	9,139,700	9,139,700	9,139,700	9,139,700	0	0	
Total Revenues	\$627,961,400	\$617,545,300	\$622,474,200	\$626,147,000	\$4,928,900	\$8,601,700	
Expenditures							
<i>Wisconsin Works</i>							
W-2 Benefits	\$25,597,900	\$31,732,200	\$38,335,100	\$45,703,200	\$6,602,900	\$13,971,000	2, 5
W-2 Worker Supplement	426,900	2,700,000	2,700,000	2,700,000	0	0	
W-2 Service Contracts	46,572,700	50,000,000	54,009,700	57,071,200	4,009,700	7,071,200	3
Subtotal	\$72,597,500	\$84,432,200	\$95,044,800	\$105,474,400	\$10,612,600	\$21,042,200	
Transitional/Transform Milwaukee Jobs	\$5,435,200	\$9,500,000	\$12,100,000	\$14,700,000	\$2,600,000	\$5,200,000	4, 5
Emergency Assistance	\$4,717,800	\$6,000,000	\$10,829,500	\$9,936,400	\$4,829,500	\$3,936,400	19
<i>Child Care</i>							
Direct Child Care Services	\$327,019,100	\$365,700,400	\$311,236,600	\$311,236,600	-\$54,463,800	-\$54,463,800	6-11
Quality Care for Quality Kids	16,135,500	16,683,700	33,847,900	34,484,700	17,164,200	17,801,000	12-15
Child Care Admin. and Licensing	37,200,800	42,439,200	42,687,900	41,992,600	248,700	-446,600	16
Subtotal	\$380,355,400	\$424,823,300	\$387,772,400	\$387,713,900	-\$37,050,900	-\$37,109,400	

	2019-20	2020-21	Governor's Budget		Change to Base		Item
	Actual	Adjusted Base	2021-22	2022-23	2021-22	2022-23	
Local Fraud Prevention	\$441,200	\$605,500	\$605,500	\$605,500	\$0	\$0	
Public Assistance & TANF Admin.	14,484,500	17,548,100	17,363,300	17,625,100	-184,800	77,000	20
Internet Assistance	0	0	10,000,000	10,000,000	10,000,000	10,000,000	25
Jobs for America's Graduates	0	0	500,000	500,000	500,000	500,000	26
GED Test Assistance	167,000	175,000	175,000	175,000	0	0	36
Legal Services	490,800	500,000	1,000,000	1,000,000	500,000	500,000	22
Adult Literacy	41,600	41,600	41,600	41,600	0	0	35
Grants to Boys & Girls Clubs	2,000,400	2,675,000	2,807,000	2,807,000	132,000	132,000	21
Grant to WI Community Services	375,900	400,000	400,000	400,000	0	0	
Fostering Futures	473,100	560,300	560,300	560,300	0	0	
Children First	646,400	1,140,000	1,140,000	1,140,000	0	0	
FAST	247,300	250,000	250,000	250,000	0	0	
Offender Reentry	234,800	250,000	250,000	250,000	0	0	24
Homeless Grants	359,600	500,000	1,000,000	1,000,000	500,000	500,000	23
Case Mgt. Services for Homeless Families	0	500,000	0	0	-500,000	-500,000	23
Substance Abuse Prevention Grant	465,300	500,000	500,000	500,000	0	0	
Child Abuse Prevention Grant	426,000	500,000	500,000	500,000	0	0	
Kinship Care Benefits & Assessments	23,822,300	28,159,200	28,727,100	31,441,800	567,900	3,282,600	18
Child Welfare Safety Services	4,867,100	9,314,300	9,314,300	9,314,300	0	0	30
Child Welfare Prevention Services	5,656,500	6,789,600	7,289,600	7,289,600	500,000	500,000	29
Funding Transfers to Other Agencies							
DHS -- SSI Caretaker Supplement	\$18,524,200	\$25,013,300	\$18,564,700	\$18,145,000	-\$6,448,600	-\$6,868,300	17
DHS -- Social Services Block Grant	14,653,500	14,653,500	14,653,500	14,653,500	0	0	
DOR -- Earned Income Tax Credit	69,700,000	69,700,000	116,716,400	69,700,000	47,016,400	0	27, 28
Total Expenditures	\$621,183,400	\$704,530,900	\$738,105,000	\$705,723,400	\$33,574,100	\$1,192,500	
Year-End Closing Balance	\$347,845,500		\$174,828,200	\$95,251,800			

Joint Finance

Table 2 summarizes the economic support and TANF-related revenue estimates and expenditures under Joint Finance.

As shown in Table 2, the opening balance and total revenues are estimated at \$936.6 million in 2021-22 and \$875.8 million in 2022-23. Compared to the Governor's proposal, this represents an increase in federal revenue of \$19.9 million in 2021-22 and \$27.1 million in 2022-23 received under the child care and development block grant (CCDBG) act. This assumes that \$11.0 million in 2021-22 and \$18.2 million in 2022-23 of supplemental CCDBG funding received under the American Rescue Plan Act (ARPA) of 2021 would be used for the JFC funding increases under Item 7 ("Wisconsin Shares Child Care Subsidy Program Cost Reestimate").

Under Joint Finance, overall expenditures would be \$714.0 million in 2020-21 and \$726.2 million in 2021-22. These amounts include all funds, and represent an increase from the base budget of \$9.4 million in 2021-22 and \$21.7 million in 2021-22 (and a decrease of \$24.0 million in 2021-22 and an increase of \$20.5 million in 2022-23 relative to the Governor's proposal). The changes in funding represent reestimates, and changes in the amounts that would be budgeted for some current programs, and decreased funding for other programs.

The projected TANF-related balance at the end of the 2021-22 biennium would be \$149.7 million, which could be carried over into the 2021-23 biennium. Assuming that no additional

supplemental CCDBG funding will be available to support the allocations shown in the table and that the increase in W-2 spending in item 2, below, is not ongoing, it is estimated that ongoing expenditures would exceed ongoing revenue by approximately \$83.2 million at the end of 2022-23.

TABLE 2

**W-2 and TANF Related Revenue and Expenditures
Comparison of Governor and Joint Finance**

	<u>Governor</u>		<u>Joint Finance</u>		<u>Joint Finance Change to Governor</u>		<u>Item</u>
	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	
Opening Balance (Carryover)	\$290,459,000	\$174,828,200	\$294,209,000	\$222,619,100	\$3,750,000	\$47,790,900	
Revenue							
GPR Appropriations Base Funding	\$160,381,400	\$160,381,400	\$160,381,400	\$160,381,400	\$0	\$0	
FED -- TANF Block Grant	307,336,800	311,009,600	307,336,800	311,009,600	0	0	
FED -- CCDF	136,819,100	136,819,100	156,719,100	163,919,100	19,900,000	27,100,000	
FED -- CCDF & TANF Recoveries	4,287,600	4,287,600	4,287,600	4,287,600	0	0	
PR -- Child Support Collections	2,749,000	2,749,000	2,749,000	2,749,000	0	0	
PR -- Child Care Fees	1,500,000	1,500,000	1,500,000	1,500,000	0	0	32
PR -- Social Services Block Grant	100,000	100,000	100,000	100,000	0	0	
PR -- Public Assistance Recoveries	160,600	160,600	160,600	160,600	0	0	
SEG -- Public Benefits Fund (SEG)	9,139,700	9,139,700	9,139,700	9,139,700	0	0	
Total Revenues	\$622,474,200	\$626,147,000	\$642,374,200	\$653,247,000	\$19,900,000	\$27,100,000	
Expenditures							
<i>Child Care</i>							
Direct Child Care Services	\$311,236,600	\$311,236,600	\$376,700,400	\$383,900,400	\$65,463,800	\$72,663,800	6-11
Quality Care for Quality Kids	33,847,900	34,484,700	16,683,700	16,683,700	-17,164,200	-17,801,000	12-15
Child Care Admin. and Licensing	42,687,900	41,992,600	42,117,800	41,803,100	-570,100	-189,500	16
<i>Child Welfare Programs</i>							
Kinship Care Benefits & Assessments	\$28,727,100	\$31,441,800	\$28,727,100	\$31,441,800	\$0	\$0	18
Child Welfare Safety Services	9,314,300	9,314,300	10,314,300	10,314,300	1,000,000	1,000,000	30
Child Welfare Prevention Services	7,289,600	7,289,600	6,789,600	6,789,600	-500,000	-500,000	29
Child Abuse Prevention Grant	500,000	500,000	500,000	500,000	0	0	
Substance Abuse Prevention Grant	500,000	500,000	500,000	500,000	0	0	
<i>Employment Programs</i>							
W-2 Benefits	\$38,335,100	\$45,703,200	\$37,000,000	\$34,000,000	-\$1,335,100	-\$11,703,200	2, 5
W-2 Worker Supplement	2,700,000	2,700,000	2,700,000	2,700,000	0	0	
W-2 Service Contracts	54,009,700	57,071,200	54,009,700	57,071,200	0	0	3
Transitional/Transform Milwaukee Jobs	12,100,000	14,700,000	9,500,000	9,500,000	-2,600,000	-5,200,000	4, 5
Children First	1,140,000	1,140,000	1,140,000	1,140,000	0	0	
<i>Housing Programs</i>							
Emergency Assistance	\$10,829,500	\$9,936,400	\$6,000,000	\$6,000,000	-\$4,829,500	-\$3,936,400	19
Homeless Grants	1,000,000	1,000,000	500,000	500,000	-500,000	-500,000	23
Case Mgt. Services for Homeless Families	0	0	500,000	500,000	500,000	500,000	23
<i>Administrative Support</i>							
Public Assistance & TANF Admin.	\$17,363,300	\$17,625,100	\$17,233,100	\$17,482,300	-\$130,200	-\$142,800	20
Local Fraud Prevention	605,500	605,500	605,500	605,500	0	0	

	Governor		Joint Finance		Joint Finance Change to Governor		Item
	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	
<i>Grant Programs</i>							
GED Test Assistance	\$175,000	\$175,000	\$241,300	\$241,300	\$66,300	\$66,300	36
Legal Services	1,000,000	1,000,000	500,000	500,000	-500,000	-500,000	22
Adult Literacy	41,600	41,600	118,100	118,100	76,500	76,500	35
Boys & Girls Clubs of America	2,807,000	2,807,000	2,807,000	2,807,000	0	0	21
Wisconsin Community Services	400,000	400,000	400,000	400,000	0	0	
Fostering Futures	560,300	560,300	560,300	560,300	0	0	
Families and Schools Together	250,000	250,000	250,000	250,000	0	0	
Offender Reentry	250,000	250,000	250,000	0	0	-250,000	24
Jobs for America's Graduates	500,000	500,000	500,000	500,000	0	0	26
Internet Assistance	10,000,000	10,000,000	0	0	-10,000,000	-10,000,000	25
<i>Funding Transfers to Other Agencies</i>							
DHS -- SSI Caretaker Supplement	\$18,564,700	\$18,145,000	\$18,564,700	\$18,145,000	\$0	\$0	17
DHS -- Social Services Block Grant	14,653,500	14,653,500	14,653,500	14,653,500	0	0	
DOR -- Earned Income Tax Credit	116,716,400	69,700,000	63,600,000	66,600,000	-53,116,400	-3,100,000	27, 28
Total Expenditures	\$738,105,000	\$705,723,400	\$713,964,100	\$726,207,100	-\$24,140,900	\$20,483,700	
Year-End Closing Balance	\$174,828,200	\$95,251,800	\$222,619,100	\$149,659,000	\$47,719,200	\$54,263,800	

2. WISCONSIN WORKS -- SUBSIDIZED EMPLOYMENT BENEFITS [LFB Paper 200]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$20,573,900	-\$13,038,300	\$7,535,600

Governor: Provide \$6,602,900 in 2021-22 and \$13,971,000 in 2022-23 to fund projected costs of Wisconsin Works (W-2) benefits payments in the 2021-23 biennium. Base funding for W-2 benefits is \$31,732,200, so that \$38,335,100 in 2021-22 and \$45,703,200 in 2022-23 in TANF funds would be budgeted for W-2 benefits payments under the bill.

The administration uses unemployment rates prepared by the National Association for Business Economics in a model that incorporates the relationship between unemployment rates and paid W-2 caseload as the basis for its projections.

Joint Finance: Reduce funding by \$1,335,100 in 2021-22 and by \$11,703,200 in 2022-23 to reflect reestimates based unemployment data, other economic indicators, and W-2 benefit and caseload information through March, 2021.

3. WISCONSIN WORKS -- SERVICE CONTRACTS [LFB Paper 200]

FED	\$11,080,900
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Governor/Joint Finance: Increase funding for W-2 contracts by \$4,009,700 in 2021-22

and \$7,071,200 in 2022-23 to reflect estimates of funding that will be needed to support service contracts in the 2021-23 biennium. Base funding for contracts is \$50,000,000, so a total of \$54,009,700 in 2021-22 and \$57,071,200 in 2022-23 would be budgeted for W-2 agency contracts under the bill. W-2 service contracts fund the costs of subsidized employment placements, work support services, education and training, and agency administration. The funding increase reflects the administration's projections of W-2 agency caseload increases due to the economic downturn resulting from the COVID-19 pandemic.

4. TRANSFORM MILWAUKEE AND TRANSITIONAL JOBS [LFB Paper 201]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$7,800,000	- \$7,800,000	\$0

Governor: Increase funding for the Transform Milwaukee and Transitional Jobs Programs by \$2,600,000 in 2021-22 and \$5,200,000 in 2022-23 to expand the program statewide to the remaining 38 counties that do not have a transitional jobs program. Under the bill, the total funding that would be budgeted for these programs would be \$12,100,000 in 2021-22 and \$14,700,000 in 2022-23.

The program offers subsidized work to low-income individuals by reimbursing employers for costs of employing program participants. Transform Milwaukee and Transitional Jobs currently operate in 34 counties.

Joint Finance: Provision not included.

5. WORK EXPERIENCE PROGRAM DRUG TESTING -- MARIJUANA

Governor: Specify that, for purposes of the Department's work experience programs that require drug screening, testing, and treatment, a "controlled substance" does not include tetrahydrocannabinols in any form, including tetrahydrocannabinols contained in marijuana, obtained from marijuana, or chemically synthesized.

Under current law, substance abuse screening, testing, and treatment are eligibility requirements for work experience programs administered by DCF, including: (a) W-2 services for both custodial and non-custodial parents; (b) the Transform Milwaukee and Transitional Jobs programs; and (c) children first. The bill would remove marijuana from these requirements as part of the marijuana legalization provisions that are summarized under "Marijuana -- Related Provisions."

Joint Finance: Provision not included.

6. WISCONSIN SHARES CHILD CARE SUBSIDY PROGRAM COST REESTIMATE
[LFB Paper 202]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	- \$70,118,400	\$70,118,400	\$0

Governor: Reduce funding by \$35,059,200 annually to reflect reestimates of the costs to maintain direct child care services under the Wisconsin Shares child care subsidy program. The administration indicates that, due in part to the COVID-19 pandemic that has limited the availability of child care, the program underspent its TANF allocation in 2019-20 by 10% (approximately \$30.0 million) and is currently projected to underspend the 2020-21 allocation by a similar percentage. DCF anticipates that over the next two years, program spending will increase slowly as child care providers reopen and children return to school.

Wisconsin Shares provides child care assistance for low-income families to enable them to work or prepare for employment through W-2, or through a combination of work and education or training programs. Under the program, the state subsidizes the cost of child care charged by providers chosen by the parent. DCF uses market surveys to establish the maximum reimbursement amount Wisconsin Shares will pay for child care. Families must pay a portion of this amount (the copay), which depends on income, family size, and the number of children in care.

Joint Finance: Provision not included.

7. WISCONSIN SHARES -- INCREASE MAXIMUM REIMBURSEMENT RATES [LFB Paper 202]

FED	\$29,200,000
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Joint Finance: Increase funding for direct child care subsidies by \$11,000,000 in 2021-22 and by \$18,200,000 in 2022-23 so that the reimbursement rates would fully pay the price of at least 65 percent of the slots for children within the licensed capacity of all child care providers (the 65th percentile).

8. WISCONSIN SHARES -- INCOME DISREGARD FOR DIRECT CARE WORKERS
[LFB Paper 203]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$1,200,000	- \$1,200,000	\$0

Governor: Increase funding by \$600,000 annually to support the costs of disregarding up to \$10,000 of income of direct care workers when applying for and calculating Wisconsin Shares subsidies.

Initial eligibility for the child care subsidy program is limited to families with gross income of no more than 185% of the FPL (\$40,626 for a family of three in 2021). In general, this includes all earned and unearned income of the individual, except: (a) assistance received for participation in W-2; (b) federal and state earned income tax credits and any federal income tax refund; (c) certain types of loans, in-kind income, and vendor payments; (e) income earned by a dependent child; (f) child support payments, if less than \$1,250 per month; and (g) federal or state student financial aid or any scholarship used for tuition and books. However, under administrative rules, any income from sources that must be disregarded by federal or state law for purposes of determining eligibility for means-tested programs are not be counted as income.

The bill contains no statutory changes relating the use of this disregard, as DCF would implement this change as a matter of policy. Further, although not specified in the bill, the administration indicates that, for these purposes, a "direct care worker" would include a worker who is primarily paid for caregiving work, such as a personal care worker, home health aide, or certified nursing assistant.

Joint Finance: Provision not included.

9. WISCONSIN SHARES ELIGIBILITY AND BENEFITS -- DEDUCT CHILD SUPPORT PAYMENTS [LFB Paper 203]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$2,664,800	-\$2,664,800	\$0

Governor: Provide \$1,332,400 annually to support administrative costs of implementing a program to deduct child support payments paid by applicants and enrollees from their gross income for the purpose of determining eligibility and benefits. The bill contains no statutory changes relating to this change in the treatment of gross income, as DCF has implemented the current practice as a matter of policy.

Currently, child support payments that exceed \$1,250 per month are considered unearned income for the child, but earned income for the parent who pays the child support (payee). If a payee has a shared placement and applies for Wisconsin Shares, the child support is counted as earned income for the parent and unearned income for the child. Consequently, the child support payment is double-counted in the gross income calculation.

The additional funding would support several types of costs relating to this change: (a) reduced revenue from copayments, which would increase Wisconsin Shares issuance (\$180,000 annually); (b) deducting child support payments from earned income of the payees (\$848,900 annually); and (c) deducting child support payments from the unearned income of the child's financial assistance group (\$303,500 annually). Additional costs for one-time information technology systems changes (\$380,600 in 2021-22) are reflected below in "Child Care -- State Administration."

Joint Finance: Provision not included.

10. WISCONSIN SHARES -- DELINK YOUNGSTAR BONUS ADJUSTMENT FROM DIRECT SERVICES [LFB Paper 203]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	- \$47,274,000	\$47,274,000	\$0

Governor: Reduce funding by \$23,637,000 annually to delink the YoungStar quality rating and improvement program from Wisconsin Shares. As part of this item, quality ratings adjustment would no longer be tied directly to the Wisconsin Shares subsidy rates. Instead, YoungStar would be replaced by the Child Care Strong program that provides grants to providers as described below under "YoungStar."

This change is intended to control spending reported from the CCDBG, which requires that 70% of funding be expended for direct services for participating families. DCF has determined that YoungStar bonus adjustments paid directly to child care providers do not qualify as direct services. DCF indicates that under current law, increases in subsidies tend to increase the amount of quality adjustments paid because YoungStar bonuses are set by statute as a fixed percentage of Wisconsin Shares subsidies, thereby threatening to breach the 70% requirement.

Joint Finance: Provision not included.

11. WISCONSIN SHARES -- CONVERT YOUNGSTAR MICROGRANTS TO BONUS PAYMENTS [LFB Paper 204]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$4,600,000	- \$4,600,000	\$0

Governor: Provide \$2,300,000 annually to provide annual bonus payments to child care providers rated 3-, 4-, and 5-stars under the YoungStar quality rating and improvement program. The funding would transfer from the YoungStar program under the TANF allocation for Quality Care for Quality Kids as described, below. The grants are intended to hold child care providers harmless from decreases in YoungStar bonuses resulting from delinking that program from Wisconsin Shares subsidies.

Joint Finance: Provision not included.

12. QUALITY CARE FOR QUALITY KIDS -- DELINK YOUNGSTAR FROM WISCONSIN SHARES SUBSIDY RATES [LFB Paper 204]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$30,674,000	-\$30,674,000	\$0

Governor: Provide \$17,637,000 annually for child care quality initiatives under Quality Care for Quality Kids. The bill would delink the YoungStar quality rating and improvement program from Wisconsin Shares such that quality ratings adjustment would no longer be tied directly to the Wisconsin Shares subsidy rates. Instead, the Child Care Strong program would provide monthly payments and monthly per-child payments to child care providers that are certified, licensed, or established by a school board.

Further, as part of this item, eliminate base funding for microgrants (-\$2,300,000 annually). Funding for direct services would be increased by this amount annually to fund subsidy grants to providers in order to hold them harmless from decreases in YoungStar bonuses.

Joint Finance: Provision not included.

13. QUALITY CARE FOR QUALITY KIDS -- CHILD CARE STRONG INITIATIVE [LFB Paper 204]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$106,032,800	-\$106,032,800	\$0

Governor: Provide \$53,016,400 annually to fund child care quality improvement programs that provide monthly payments and monthly per-child payments to child care providers that are certified, licensed, or established by a school board. Create an annual GPR appropriation for this purpose. Authorize DCF to award up to 10% of the budgeted amount to child care providers, child care centers, and child care programs located in child care deserts, as defined by DCF. Further, provide that TANF funds allocated for Quality Care for Quality Kids may also be expended for the program.

Authorize DCF to promulgate emergency rules without the finding of an emergency to administrate the child care quality improvement program, including eligibility requirements, payment amounts, and restrictions on how recipients may spend grant awards.

Although not specified in the bill, the administration indicates that the program is intended to provide grants in amounts determined by DCF to: (a) all regulated providers; (b) providers serving 25% or more of their slots of child care to infants or toddlers; (c) all 3-, 4-, and 5-star providers based on the number of Wisconsin Shares children they care for; and (d) all 3-, 4-, and 5-star providers based on the number of children they care for that are not subsidized by Wisconsin Shares.

Joint Finance: Provision not included.

14. QUALITY CARE FOR QUALITY KIDS -- REWARD STIPENDS

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$1,000,000	- \$1,000,000	\$0

Governor: Increase funding by \$500,000 annually for child care stipends under the Rewarding Education with Wages and Respect for Education (REWARD) program. The REWARD program provides stipends to child care providers and teachers that meet certain requirements for education, employment, and longevity. Stipend amounts are based on the individual's career level in the Registry, which is a system that documents verified formal and informal education of individuals in the early care and education workforce. Base funding of \$3,975,000 is provided for both REWARD and the teacher education and compensation helps (TEACH) program.

Joint Finance: Provision not included.

15. QUALITY CARE FOR QUALITY KIDS -- SOCIAL EMOTIONAL LEARNING INITIATIVE [LFB Paper 205]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$3,291,200	- \$3,291,200	\$0

Governor: Provide \$1,327,200 in 2021-22 and \$1,964,000 in 2022-23 to fund social emotional learning (SEL) for young children. This item would fund: (a) training and technical assistance to early childhood education programs provided by staff in each of five preschool development regions (\$864,000 in 2021-22 and \$1,152,000 in 2022-23); (b) regional lead staff that provide oversight of program coaches and trainers, support community integration teams, and support data collection and analysis (\$476,700 in 2021-22 and \$635,600 in 2022-23); (c) statewide management staff that would provide coordination and support for SEL and quality improvement, and represent SEL efforts on groups involved in child development issues (\$219,800 in 2021-22 and \$302,600 in 2022-23); and (d) statewide training, materials, an evaluation, technical support, and indirect costs (\$301,700 in 2021-22 and \$408,800 in 2022-23. In addition to the additional in the bill, base funding for SEL activities (\$535,000) would also be used to partially support these costs.

Joint Finance: Provision not included.

16. CHILD CARE -- STATE ADMINISTRATION [LFB Paper 102]

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding Positions		Funding Positions		Funding Positions	
FED	-\$197,900	- 1.00	-\$759,600	- 1.00	-\$957,500	0.00

Governor: Increase funding by \$248,700 in 2021-22 and decrease funding by \$446,600 in 2022-23 and delete 1.0 position, beginning in 2021-22, for state administration of child care licensing and regulation activities, Wisconsin Shares, and child care quality improvement programs. This includes the following items.

First, increase funding by \$734,100 in 2021-22 and by \$419,400 in 2022-23 to fund: (a) salary, fringe, and supplies and services for customer service limited-term employees to support the Milwaukee early care administration (MECA) (\$277,900 FED annually); (b) system changes to update child care authorization processing at MECA (\$783,000 FED in 2021-22); (c) staff costs associated with health insurance, retirement, and reserves (-\$326,800 in 2021-22 and \$141,500 in 2022-23).

Second, provide \$380,600 in 2021-22 to support modifications to information technology systems to automatically deduct child support payments from Wisconsin Shares income eligibility determinations, as described under Item #8.

Third, decrease funding by \$866,000 annually as a result of standard budget adjustments, including: (a) turnover reduction (-\$359,500 annually); (b) removal of non-continuing elements (-\$67,800 annually and -1.0 FED positions beginning in 2021-22); (c) full funding of continuing position salaries and fringe benefits (-\$612,400 annually); and (d) full funding of lease and directed moves costs (\$173,700 annually).

Overall, the total amount of funding that would be provided for state administration of child care programs would be \$42,687,900 in 2021-22 and \$41,992,600 in 2022-23.

Joint Finance: Reduce funding by \$570,100 in 2021-22 and by \$189,500 in 2022-23 to reflect: (a) the removal of Item #8 (-\$380,600 in 2021-22); (b) increased turnover rate from 3% to 4% for state agency annual turnover reduction (-\$119,800 annually); and (c) reallocation of funding (-\$69,700 FED annually) to correctly account for the cost of rent under leases of office space. Overall, the total amount of funding that would be provided for state administration of child care programs would be \$42,117,800 in 2021-22 and \$41,803,100 in 2022-23.

17. CARETAKER SUPPLEMENT [LFB Paper 200]

FED	-\$13,316,900
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Governor/Joint Finance: Reduce funding by \$6,448,600 in 2021-22 and by \$6,868,300 in 2022-23 to reflect a reestimate of TANF-supported program costs for the caretaker supplement program, a program administered by the Department of Health Services (DHS) that provides monthly cash payments to individuals who receive supplemental security income (SSI) payments with dependent children. Under the program, in addition to receiving state and federal SSI benefit

payments, SSI recipients with dependent children receive a caretaker supplement of \$250 per month for the first child and \$150 per month for each additional child.

Base funding for benefits and administration of the caretaker supplement is \$25,013,300 (TANF). Under the bill, the amounts budgeted for payments would total \$20,989,600 (\$17,872,700 TANF (PR) and \$3,116,900 GPR) in 2021-22 and \$20,569,800 (\$17,452,900 TANF (PR) and \$3,116,900 GPR) in 2022-23 and funding for the administration of the program would total \$692,100 TANF (PR) annually. The GPR budgeted for payments is provided to enable the state to continue to meet federal SSI maintenance of effort requirements.

A total of \$18,654,700 in 2021-22 and \$18,145,000 in 2022-23, funded from TANF, would be budgeted to fund caretaker supplement payments and program administration costs.

18. KINSHIP CARE [LFB Paper 211]

FED	\$3,850,500
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Governor/Joint Finance: Provide \$567,900 in 2021-22 and \$3,282,600 in 2022-23 to increase monthly kinship care payments from \$254 to \$300 per child, beginning January 1, 2022. In total, the bill would provide \$28,727,100 in 2021-22 and \$31,441,800 in 2022-23 to fund these payments.

As an alternative to foster care and other out-of-home care placements, monthly kinship care payments are provided by counties, tribes, and DCF (in Milwaukee County) to qualifying adults to support costs of caring for their relative children. The current kinship care rate -- \$254 per child per month -- equals the current Level 1 foster care payment rate, which would be increased to \$300 per child per month under the bill.

19. EMERGENCY ASSISTANCE [LFB Paper 206]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$8,765,900	- \$8,765,900	\$0

Governor: Provide \$4,829,500 in 2021-22 and \$3,936,400 in 2022-23 to reestimate the costs of providing assistance to needy persons in cases of fire, flood, natural disaster, energy crisis, homelessness, and impending homelessness under the emergency assistance (EA) program. Of this amount, \$929,500 in 2021-22 and \$36,400 in 2022-23 would support the cost to continue the program under current law. Additional funding of \$3,900,000 annually would support the program modifications discussed below. Under the bill, total funding for emergency assistance would be \$10,829,500 in 2021-22 and \$9,936,400 in 2022-23.

Eligibility Changes. Modify the eligibility requirements for the emergency assistance program as follows. First, increase the financial eligibility threshold from 115% of the federal poverty level (\$25,254 for a family of three in 2021) to 200% (\$43,920 for a family of three in 2021). Second, expand eligible families to include childless adults between 18 and 24 years of age.

Third, reduce the requirement that the applicant must not have received emergency assistance within the previous 12 months to six months. Finally, specify that a family delinquent on a rent payment, a mortgage payment, or a property tax payment is considered homeless for purposes of the emergency assistance program, and therefore eligible for aid, during a national emergency declared by the U.S. President or a state of emergency declared by the Governor.

Definition of Domestic Violence. Under current law, a person may qualify for EA if they are facing homelessness due to domestic violence, which is statutorily defined as any of the following engaged in by an adult against his or her former spouse, an adult with whom the person currently or formerly resides, or an adult with whom the person has a child in common: (a) intentional infliction of physical pain, physical injury or illness; (b) intentional impairment of physical condition; (c) violation of criminal code provisions relating to first, second, or third-degree sexual assault; or (d) a physical act that may cause the other person reasonably to fear imminent engagement in the conduct described under (a) through (c).

The bill would repeal the current definition of domestic violence. Instead, the bill would specify that evidence specified under the rules defining "domestic violence" by DCF for purposes of domestic abuse screening in the W-2 program would be sufficient for purposes of the EA program. This would broaden the definition to be any of the following acts affecting an individual by a spouse or former spouse, and adult with whom the individual has, or had a dating relationship, an adult with whom the individual has a child in common, an adult or minor family member, or an adult or minor with whom the person resides or formerly resided: (a) physical acts resulting in pain, illness or injury; (b) sexual abuse or assault; (c) threatened or attempted physical or sexual abuse; (d) emotional or mental abuse; (e) verbal abuse; (f) deprivation or destruction of physical or economic resources; (g) neglect or deprivation of medical care; (h) forced isolation; or (i) stalking or harassment.

Joint Finance: Provision not included.

20. STATE ADMINISTRATION OF WISCONSIN WORKS AND OTHER RELATED TANF PROGRAMS [LFB Paper 102]

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding Positions		Funding Positions		Funding Positions	
FED	-\$107,800	-0.25	-\$275,000	-0.5	-\$382,800	-0.75

Governor: Reduce funding by \$184,800 in 2021-22 and increase funding by \$77,000 in 2022-23 to support the costs of administering TANF-related programs.

BRITS. Provide \$410,000 in 2021-22 and \$550,000 in 2022-23 for the benefit recovery investigative tracking system (BRITS), including: (a) \$250,000 annually for the maintenance and enhancements of BRITS; and (b) one-time funding to complete a second phase in the development of BRITS (\$160,000 in 2021-22 and \$300,000 in 2022-23). BRITS is an information technology (IT) system used by DCF, DHS, and county income maintenance staff to assist in the recovery of

overpayments made under several public assistance programs. The program became operational in 2017, and additional features to the system are in development. The second phase of the project is estimated to cost approximately \$2.3 million, of which \$0.6 million would be funded by DCF and \$1.7 million by DHS, based on collections caseloads. DCF indicates that completion of the project is required to bring the system into compliance with federal requirements.

Emergency Assistance. Provide \$58,800 annually to implement program changes for the emergency assistance program.

Internet Assistance. Provide, \$31,200 2021-22 and \$41,600 in 2022-23 to fund 0.5 FTE position to support the Internet assistance program.

Homeless Case Management Services. Provide \$600 in 2021-22 and \$800 in 2022-23 to support staffing costs for the homeless case management services grant.

Standard Budget Adjustments. Reduce TANF funding by \$685,400 in 2021-22 and by \$574,200 in 2022-23 to reflect standard budget adjustments, including: (a) turnover reduction (-\$118,900 annually); (b) removal of non-continuing elements (-\$46,200 in 2021-22 and -\$61,700 in 2022-23); (c) full funding of continuing position salaries and fringe benefits (-\$423,700 annually and -0.75 FED project positions beginning in 2021-22); and (d) full funding of lease and directed moves costs (\$2,000 annually). Finally, a funding decrease of \$98,600 in 2021-22 and a funding increase of \$28,100 in 2022-23 would be for staff costs associated with health insurance, retirement, and reserves.

Joint Finance: Reduce funding by \$132,200 in 2021-22 and by \$142,800 in 2022-23 to reflect: (a) the removal of the emergency assistance expansion in item 19 (-\$58,800 annually); (b) the removal of the internet assistance program in Item 25 (-\$31,200 in 2021-22 and -\$41,600 in 2022-23 to fund 0.5 FTE beginning in 2021-22); (c) increased turnover rate from 3% to 4% for state agency annual turnover reduction (-\$39,600 annually); (d) removal of staffing costs for homeless case management services grants (-\$600 in 2021-22 and -\$800 in 2022-23; and (e) reallocation of funding (-\$2,000 FED annually) to correctly account for the cost of rent under leases of office space.

Overall, the total amount of funding that would be provided for state administration of TANF-related programs would be \$17,233,100 in 2021-22 and \$17,484,300 in 2022-23.

21. GRANTS TO BOYS AND GIRLS CLUBS OF AMERICA

FED	\$264,000
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Governor/Joint Finance: Provide \$132,000 annually to increase, from \$2,675,000 to \$2,807,000, annual funding for grants to the Wisconsin Chapter of the Boys and Girls Clubs of America. This grant supports programs that improve social, academic, and employment skills of youth, focusing on study habits, intensive tutoring in math and English, and exposure to career options and role models.

Under current law, of the total amount budgeted for grants, up to \$1,400,000 in each fiscal year must be budgeted for the Be Great: Graduate program in the amount of matching funds the program provides. The bill would increase this amount to \$1,532,000 each year.

22. CIVIL LEGAL ASSISTANCE [LFB Paper 110]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$1,000,000	- \$1,000,000	\$0

Governor: Increase the grant to Wisconsin Trust Account Foundation (WisTAF) from \$500,000 to \$1,000,000 annually and expand the legal services for which grant may be used, to include cases involving evictions. Repeal the \$75,000 annual maximum award amount any program can receive. Repeal provisions that permit DCF to distribute unspent TANF funds that had previously been allocated for other purposes to WisTAF. Current law allows DCF to identify underspending in the federal block grant aids appropriation for TANF and provide such funds to WisTAF under certain conditions.

DCF is budgeted TANF funding to support WisTAF, a non-profit organization established by the Wisconsin Supreme Court that provides grants to civil legal aid organizations that increase access to legal services. These grants may not be used for litigation against the state and, under current law, may only be used to support specific civil legal services (related to domestic abuse, sexual abuse, or restraining orders for certain at-risk elderly and disabled individuals) for otherwise TANF-eligible individuals with incomes of less than 200% of the federal poverty level.

Joint Finance: Provision not included.

23. GRANT FOR CASE MANAGEMENT SERVICES FOR HOMELESS FAMILIES

Governor: Repeal the allocation that provides \$500,000 annual supplemental funding for homeless case management grants in the Joint Committee on Finance program supplements appropriation. Instead, increase, from \$500,000 to \$1,000,000 annually, funding for grants to shelter facilities to provide intensive case management services to homeless families. Funding for these services is budgeted in DCF and transferred to the Department of Administration (DOA), which administers the program.

Under the program, current law authorizes DOA to award up to 10 grants of up to \$50,000 each to any shelter program. Grantees may use these funds to provide case management services, including: (a) services related to financial management; (b) employment-related services; (c) services intended to ensure continuation of school enrollment for children; and (d) services related to the enrollment of unemployed or under-employed parents in the FoodShare employment and training program or the Wisconsin Works program. For additional information, see homeless case management services under "Administration -- Housing and Homelessness."

Joint Finance: Provision not included.

24. EXTEND OFFENDER REENTRY PILOT PROGRAM [LFB Paper 200]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$0	-\$250,000	-\$250,000

Governor: Extend the offender reentry pilot program by one year. The administration indicates that the extension is needed to account for delays caused by the COVID-19 pandemic.

DCF is budgeted \$250,000 annually to partially support a five-year offender reentry demonstration program through 2021-22 to aid the successful community transition out of incarceration by noncustodial fathers in the City of Milwaukee. DCF is required to conduct an evaluation of the demonstration project by June 30, 2023.

Joint Finance: Provide base funding of \$250,000 in 2021-22, but allow the pilot program to end as scheduled without an extension (-\$250,000 in 2022-23).

25. INTERNET ASSISTANCE

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$20,000,000	0.50	-\$20,000,000	- 0.50	\$0	0.00
FED	<u>20,000,000</u>	<u>0.00</u>	<u>20,000,000</u>	<u>0.00</u>	<u>0</u>	<u>0.00</u>
Total	\$40,000,000	0.50	-\$40,000,000	0.00	\$0	0.00

Governor: Create an internet assistance program and provide \$20,000,000 (\$10,000,000 GPR and \$10,000,000 FED TANF) annually and 0.5 GPR position, beginning in 2021-22, to make payments on behalf of low-income individuals to assist with paying for Internet service. Create an annual GPR appropriation for this purpose.

Specify that assistance under this program may be provided only after other assistance program options have been exhausted. Permit DCF to contract for the administration of the program. Require DCF to promulgate rules to implement the program, including a financial eligibility requirement that the family income of a recipient not exceed 200% of the federal poverty level (\$43,920 for a family of three in 2021). Specify that DCF may promulgate rules as emergency rules without the finding of an emergency or providing evidence that the rules are necessary for the preservation of the public peace, health, safety, or welfare.

Joint Finance: Provision not included.

26. JOBS FOR AMERICA'S GRADUATES

FED	\$1,000,000
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Governor: Provide \$500,000 annually for grants to Jobs for America's Graduates (JAG) to

support programs that improve social, academic, and employment skills of TANF-eligible youth.

JAG is a state-based national nonprofit organization that assists youth in reaching economic and academic success. Services involve classroom instruction, adult mentoring, leadership development, guidance and counseling, job and postsecondary education placement services, links to community services, and 12-month follow-up services. JAG currently operates in Wisconsin in Dane, Jackson, Milwaukee, and Monroe counties.

Joint Finance: Modify the Governor's recommendation to require DCF to award the funding to the appropriate Wisconsin affiliate of JAG.

27. EARNED INCOME TAX CREDIT

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$47,016,400	-\$47,016,400	\$0

Governor: Increase funding for the refundable portion of the earned income tax credit by \$47,016,400 in 2021-22. The funding would support modifications to the tax credit, which would increase the amounts qualifying individuals could claim. [See "General Fund Taxes -- Refundable Tax Credits and Other Payments."]

Under the bill, the total TANF funding that would be budgeted to fund the refundable portion of the earned income tax credit would be \$116,716,400 in 2021-22 and \$69,700,000 in 2022-23.

Joint Finance: Provision not included.

28. EARNED INCOME TAX CREDIT -- SUM SUFFICIENT REESTIMATE [LFB Paper 334]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$0	-\$9,200,000	-\$9,200,000

Joint Finance: Reduce federal TANF funds transferred from DCF to the Department of Revenue for the refundable portion of the earned income tax credit by \$6,100,000 in 2021-22 and \$3,100,000 in 2022-23 to reflect reestimates of credit payments to eligible claimants. For additional information, see "General Fund Taxes -- Refundable Tax Credits and Other Payments."

29. CHILD WELFARE PREVENTION SERVICES [LFB Paper 214]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$1,000,000	- \$1,000,000	\$0

Governor: Increase funding for child welfare prevention services by \$500,000 annually, and require DCF to allocate that same amount to the nurse family partnership visitation program in Milwaukee County.

The nurse-family partnership provides home visiting services to first-time, low-income mothers and their children. It includes one-on-one home visits by a trained registered professional nurse to participating clients. The visits begin early in the woman’s pregnancy (with program enrollment no later than the 28th week of gestation) and conclude when the woman’s child turns two years old. The program's goal is to improve prenatal and maternal health and birth outcomes, child health and development, and families’ economic self-sufficiency and maternal life course development.

Joint Finance: Provision not included.

30. CHILD WELFARE SAFETY SERVICES [LFB Paper 214]

FED	\$2,000,000
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Joint Finance: Increase funding for child welfare safety services by \$1,000,000 annually. Under current law, TANF funding of \$5,282,400 in 2020-21 supports targeted safety support funds (TSSF) to reimburse county agencies for the costs of certain services and supports that may be used as part of a safety or protective plan. TSSF is available in Milwaukee County, 42 other counties, and one tribe where abuse or neglect issues have been identified, but the child protective services agency has determined that the child can remain at home safely. TANF funding of \$4,031,900 also supports contracts in the Division of Milwaukee Child Protective Services (DMCPS) with Children's Hospital of Wisconsin-Community Service and SaintA, as well as services provided via a network of providers to provide in-home services for families through the intensive in-home services program.

31. TANF PROGRAM FUNDING REALLOCATION

FED	\$556,800
PR	- 863,800
Total	- \$307,000

Governor/Joint Finance: Reallocate funding for the Department's TANF-related programs to reduce program support from child care licensing fee revenue (PR) and increase support from the TANF block grant (FED). This item includes: (a) reducing PR funding for TANF-supported programs by \$278,400 annually and increasing FED funding for these programs by corresponding amounts; and (b) reducing PR budgeted for program administration by -\$153,500 annually, for which the corresponding FED increases are shown under other items. This funding adjustment reflects decreasing availability of child care licensing fee revenue to support program costs.

32. TANF REALLOCATION

Governor: Redefine "allocation" to mean, with respect to any of the programs listed in the TANF schedule that fund a contract for services, the amount under the contract that DCF is obligated to pay. As a result, DCF would not need to seek permission from the Joint Committee on Finance, as required under current law, to reallocate funding if a program overspends the amount provided in the TANF schedule so long as DCF enters into a contract with a vendor under the program calling for an estimated amount of spending less than or equal to the amounts provided under the bill for TANF programs.

Joint Finance: Provision not included.

33. TRANSFER HEAD START STATE SUPPLEMENT

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$12,528,200	-\$12,528,200	\$0

Governor: Provide \$6,264,100 annually to reflect the transfer of funding and administrative responsibilities relating to the head start supplement grant program from the Department of Public Instruction (DPI) to DCF. The bill would decrease annual funding budgeted for grants in DPI by the same amount.

As under current law, grants would be awarded to federal Head Start sites to allow expansion of their programs to serve additional children. The federal Head Start program provides comprehensive educational, health, nutritional, social, and other services to economically disadvantaged preschool children and their families.

Joint Finance: Provision not included.

34. SKILLS ENHANCEMENT GRANTS

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$500,000	-\$500,000	\$0

Governor: Increase funding for skills enhancement grants by \$250,000 annually. Base funding for the program is \$250,000, so \$500,000 would be budgeted annually for DCF to provide as grants to community action agencies (CAAs).

CAAs use grant funds to assist eligible persons overcome barriers to employment and education, including access to transportation, child care, career counseling, job placement assistance, and financial support for education and training. These services are limited to individuals who work at least 20 hours per week and whose earned income is at or below 150

percent of the federal poverty level (\$32,940 for a family of three in 2021).

Joint Finance: Provision not included.

35. ADULT LITERACY

FED	\$153,000
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Joint Finance: Provide \$76,500 annually to support adult literacy grants to provide services to individuals with low literacy or limited English proficiency skills who are eligible to receive TANF. Together with base funding, a total of \$118,100 annually would be allocated for such grants.

36. GED TEST ASSISTANCE

FED	\$132,600
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Joint Finance: Provide \$66,300 annually to support general education development testing and preparation to individuals who are eligible to receive TANF. Together with base funding, a total of \$241,300 annually would be allocated for such grants.

Child Welfare

1. ADOPTION ASSISTANCE AND STATE FOSTER CARE

GPR	- \$419,100
FED	<u>4,099,500</u>
Total	\$3,680,400

Governor/Joint Finance: Provide \$504,200 (-\$948,000 GPR and \$1,452,200 FED) in 2021-22 and \$3,176,200 (\$528,900 GPR and \$2,647,300 FED) in 2022-23 to reflect a reestimate of adoption assistance and state foster care payments and changes in federal Title IV-E claiming rates in the 2021-23 biennium. Maintain funding for adoption assistance service contracts at the adjusted base level (\$2,615,300 GPR and \$1,633,700 FED). The state claims federal funding for these costs under Title IV-E of the Social Security Act.

The state foster care program provides payments for maintenance and case management services for children who are in out-of-home care, whose parental rights have been terminated, and are under the guardianship of DCF, which has care and placement responsibilities. The state adoption assistance program funds payments to families who adopt children with special needs. Basic maintenance payments are based on uniform foster care rates specified in statute, and additional payments are based on each child's individual needs.

The following table summarizes, by source, the base funding for these payments and adoption service contracts, the funding increases that would be provided under this item, and the total funding that would be budgeted for these payments under the bill.

	2021-22			2022-23		
	GPR	FED IV-E	All Funds	GPR	FED IV-E	All Funds
State Foster Care						
Base Funding	\$3,255,000	\$1,642,000	\$4,897,000	\$3,255,000	\$1,642,000	\$4,897,000
Reestimate	<u>2,413,600</u>	<u>1,259,400</u>	<u>3,673,000</u>	<u>3,247,300</u>	<u>1,691,100</u>	<u>4,938,400</u>
Subtotal	\$5,668,600	\$2,901,400	\$6,757,100	\$3,247,300	\$3,333,100	\$9,835,400
Adoption Assistance						
Base Funding	\$47,502,300	\$45,855,700	\$93,358,000	\$47,502,300	\$45,855,700	\$93,358,000
Reestimate	<u>-3,361,600</u>	<u>192,800</u>	<u>-3,168,800</u>	<u>-2,718,400</u>	<u>956,200</u>	<u>-1,762,200</u>
Subtotal	\$44,140,700	\$46,048,500	\$90,189,200	\$44,783,900	\$46,811,900	\$91,595,800
Total						
Base Funding	\$50,757,300	\$47,497,700	\$98,255,000	\$50,757,300	\$47,497,700	\$98,255,000
Reestimate	<u>-948,000</u>	<u>1,452,200</u>	<u>504,200</u>	<u>528,900</u>	<u>2,647,300</u>	<u>3,176,200</u>
Total	\$49,809,300	\$48,949,900	\$98,759,200	\$51,286,200	\$50,145,000	\$101,431,200

2. CHILDREN AND FAMILY AIDS [LFB Paper 210]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$15,000,000	-\$15,000,000	\$0

Governor: Provide \$5,000,000 in 2021-22 and \$10,000,000 in 2022-23 to increase the children and families aids (CFA) allocation. Increase the statutory children and family aids allocations to reflect this and other items in the bill that would modify funding for the program so that \$106,389,600 (all funds) in 2021-22 and \$111,868,900 (all funds) in 2022-23 would be allocated for the program.

Joint Finance: Provision not included.

3. SUBSIDIZED GUARDIANSHIP

Joint Finance: Provide \$2,400,000 GPR in 2021-22 and \$5,200,000 GPR in 2022-23 in the JFC program supplements appropriation to fund subsidized guardianship payments. The fiscal effect of this is shown in "Program Supplements."

4. FOSTER CARE RATE INCREASE [LFB Paper 211]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$958,900	-\$933,100	\$25,800
FED	<u>489,600</u>	<u>-476,400</u>	<u>13,200</u>
Total	\$1,448,500	-\$1,409,500	\$39,000

Governor: Provide \$365,400 (\$241,900 GPR and \$123,500 FED) in 2021-22 and

\$1,083,100 (\$717,000 GPR and \$366,100 FED) in 2022-23 to increase monthly payments to foster parents by 2.5% in each calendar year. Increase the basic rate for Level One foster care to \$300 per month beginning January 1, 2022. The source of the federal funding is reimbursement under Title IV-E of the Social Security Act.

The current monthly basic maintenance rates, by level of care, and the rates proposed by the Governor are shown below.

	<u>Current Amount</u>	<u>Rates as of January 1</u>	
		<u>2022</u>	<u>2023</u>
Level One	\$254	\$300	\$300
Levels Two and Above			
Up to Age Five	\$420	\$431	442
Ages Five through 11	460	472	484
Ages 12 through 14	522	535	548
Ages 15 and Over	545	559	573

Joint Finance: Modify the Governor's recommended funding to maintain foster care Level Two and above monthly payment rates at current levels, but retain the provision to increase the Level One foster care monthly rate from \$254 to \$300 per child, beginning January 1, 2020. Reduce funding by \$352,400 (-\$233,300 GPR and -\$119,100 FED) in 2021-22 and by \$1,057,100 (-\$699,800 GPR and -\$357,300 FED) in 2022-23.

5. FOSTER CARE YOUTH DRIVERS LICENSING

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$292,500	-\$292,500	\$0

Governor: Provide \$89,700 in 2021-22 and \$202,800 in 2022-23 and require DCF to establish or contract for a driver education program for youth in out-of-home care who are at least 15 years old. Require that the program provide assistance with identifying and enrolling in an appropriate driver education course and obtaining an operator's license. Authorize DCF to use funds from its general program operations GPR appropriation to pay fees and expenses an individual requires to enroll in a driver education course and to obtain an operator's license.

Joint Finance: Provision not included.

6. DIVISION OF MILWAUKEE CHILD PROTECTIVE SERVICES -- AIDS PAYMENTS AND CONTRACTED SERVICES [LFB Paper 212]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$7,040,300	-\$1,000,000	\$6,040,300
FED	- 238,600	1,000,000	761,400
PR	<u>- 5,726,800</u>	<u>0</u>	<u>- 5,726,800</u>
Total	\$1,074,900	\$0	\$1,074,900

Governor: Provide \$49,100 (\$3,003,700 GPR, -\$91,200 FED, and -\$2,863,400 PR) in 2021-22 and \$1,025,800 (\$4,036,600 GPR, -\$147,400 FED and -\$2,863,400 PR) in 2022-23 to reflect reestimates of the cost of Division of Milwaukee Child Protective Services (DMCPS) aids payments and contracted services.

This item includes the following: (a) reducing funding for out-of-home caseloads and subsidized guardianship payments, and service costs for wraparound and in-home services by \$207,800 (-\$766,000 GPR and \$558,200 FED) in 2021-22 and increasing funding for these costs by \$826,100 (\$266,900 GPR and \$559,200 FED) in 2022-23; (b) increasing funding for aids contracts costs, such as funding for independent investigations, court services, and foster parent training by \$645,400 (\$2,560,500 GPR, -\$137,400 FED, and -\$1,777,700 PR) in 2021-22 and by \$588,300 (\$2,560,500 GPR, -\$194,600 FED, and -\$1,777,700 PR) in 2022-23; (c) adjustment to base funding to reflect revised estimates of federal claiming rates under Title IV-E of the Social Security Act (\$1,209,200 GPR, -\$512,000 FED, and -\$697,300 PR annually); and (d) reducing estimates of program revenue available to fund subsidized guardianship payments (-\$388,400 PR annually).

The source of the program revenue is surplus third-party collections the Department receives for the support of children in out-of-home care, such as child support and social security income payments.

Joint Finance: Modify the Governor's recommendation by increasing FED (Title IV-E) funding by \$1,000,000 in 2021-22 and reducing GPR funding by a corresponding amount.

7. DMCPS -- ADOPTION RECRUITMENT SERVICES FOR CHILDREN WITH SPECIAL NEEDS

GPR	\$371,400
FED	<u>228,600</u>
Total	\$600,000

Governor/Joint Finance: Provide \$300,000 (\$185,700 GPR and \$114,300 FED Title IV-E) annually and require DCF to provide a total of \$300,000 (all funds) annually to the Wendy's Wonderful Kids program at the Children's Hospital of Wisconsin to recruit adoptive placements for children with special needs in Milwaukee County. The funding would support a DMCPS contract for four additional Wendy's Wonderful Kids adoption recruiters who would assist in finding permanent homes for children who are waiting for adoption, including children in higher levels of care or congregate care facilities.

Joint Finance: Modify the provision by providing this funding on a one-time basis in the

2021-23 biennium.

8. DMCPS OPERATIONS -- INITIAL ASSESSMENT POSITIONS [LFB Paper 212]

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding Positions		Funding Positions		Funding Positions	
GPR	\$390,400	3.68	-\$390,400	- 3.68	\$0	0.00
FED	<u>33,900</u>	<u>0.32</u>	<u>- 33,900</u>	<u>- 0.32</u>	<u>0</u>	<u>0.00</u>
Total	\$424,300	4.00	-\$424,300	- 4.00	\$0	0.00

Governor: Provide \$181,900 (\$167,400 GPR and \$14,500 FED Title IV-E) and in 2021-22 and \$242,400 (\$223,000 GPR and \$19,400 FED Title IV-E) in 2022-23 to support 4.0 additional positions (3.68 GPR and 0.32 FED positions), beginning in 2021-22, for initial assessment of allegations of child abuse and neglect at DMCPS.

For each screened-in report of child abuse and neglect, DMCPS must initiate an investigation within 24 hours to determine whether the child is in need of protection or services. The investigation must determine within 60 days, based upon a preponderance of the evidence, whether abuse or neglect has occurred or is likely to occur. Initial assessment specialists, who receive referrals from the access unit, are responsible for determining: (a) if child abuse or neglect has already occurred, who did it, and the extent and the severity of the abuse or neglect if it has occurred; (b) the level of impending danger to a child in the family of future abuse or neglect; and (c) the types of services to be included in a safety plan for a child in order to prevent abuse or neglect from occurring in the future. The additional positions are intended to address staff turnover and reduce caseloads in the initial assessment unit.

Joint Finance: Provision not included.

9. FEDERAL LAW UPDATE -- QUALIFIED RESIDENTIAL TREATMENT PROGRAMS

Modify current law to conform to the federal the Family First Prevention Services Act (FFPSA), as described below. [The provisions are identical to the provisions of 2021 Senate Bill 161 and Assembly Bill 143.]

Federal Law. The FFPSA included several policy changes that limit federal reimbursement for congregate care and favor child placements in family foster homes. The act also provides uncapped Title IV-E funding for a portion of the costs of up to 12 months of services that are intended to prevent the need for children to enter out-of-home care. A state may elect to delay the provisions of the FFPSA regarding the limitation of reimbursement for congregate care. However, by doing so, the provisions for federal reimbursement of prevention services are similarly delayed. DCF requested delayed implementation until October 1, 2021.

Pursuant to the FFPSA, states may claim Title IV-E reimbursement for only up to two weeks'

worth of out-of-home care maintenance payments paid on behalf of an eligible child placed in a child care institution. This includes any private or public group home or care center that serves 25 or fewer children. Placements larger than 25 are prohibited under federal law. States may continue to claim administrative expenses after the two-week limit expires on maintenance payments.

Placements in certain child care institutions are exempt from the two-week limitation on maintenance claims, such as pre- and post- adjudication juvenile justice facilities and qualified residential treatment programs (QRTPs). A QRTP is a licensed, accredited program that uses a trauma-informed treatment model, has nurses on staff or on call, provides discharge planning and family-based aftercare for at least six months after a discharge, and to the extent appropriate, documents and facilitates outreach to and participation from a child's family members. An assessment by a "qualified individual," such as a trained professional or licensed clinician who is not an employee of the child welfare agency, must be conducted within 30 days after a child is placed at a QRTP to review the needs of the child, develop child-specific mental and behavioral health goals, and determine which placement setting is appropriate for the child. While conducting the assessment, the qualified individual must work in conjunction with the child's family and permanency team, comprised of family members and appropriate professionals.

Within 60 days of the start of the QRTP placement, a court must either approve or disapprove the placement, by considering the assessment and determining whether the child's needs can be met through placement in a family foster home, or whether, generally, a QRTP program provides the most effective and appropriate level of care for the child. If the appropriate placement is not in a family home, the assessment must specify the reasons why the child's needs cannot be met by their family or in a foster family home. A shortage of family foster homes is not an acceptable reason to find that the needs of the child cannot be met in a family foster home. If the assessment is not completed within 30 days of the placement at the QRTP, no claim may be made for Title IV-E reimbursement of maintenance payments.

Current State Law. Wisconsin law sets forth specific procedures and standards that apply when a child or juvenile is removed from the home and placed in out-of-home care in the child welfare system under Chapter 48 (the Children's Code) or the juvenile justice system under Chapter 938 (the Juvenile Justice Code). Generally, these systems are built upon a framework of intervention steps that favor preservation of the family unit with as little state intervention as possible. Removal of a child or juvenile from the home is permitted only if necessary to preserve the child's health and safety. Each child or juvenile who is placed in out-of-home care must have a written permanency plan, designed to ensure that the child or juvenile is reunified with his or her family whenever appropriate or quickly attains a placement or home providing long-term stability.

State law currently requires DCF to license and supervise, as well as promulgate rules governing, several types of entities that provide out-of-home care, such as foster homes, group homes, shelter care facilities, and residential care centers for children and youth. However, current Wisconsin law does not contemplate QRTPs, as defined under the FFPSA, as an option for a child's out-of-home care placement. Further, current law does not authorize DCF to license, regulate, or promulgate administrative rules governing entities that would constitute a QRTP, as defined under the FFPSA.

Bill Provisions. Create provisions and references to QRTPs under state law and authorize DCF to certify and further regulate QRTPs by rule. Consistent with the FFPSA, require both a specialized assessment by a qualified individual and certain findings by a court, for a child or juvenile to be placed in a certified QRTP at various stages of proceedings under the Children's Code or the Juvenile Justice Code.

Certification. Authorize DCF to certify a licensed residential care center for children and youth, group home, or shelter care facility to operate as a QRTP, if DCF determines that the entity meets the FFPSA's requirements for QRTPs and any other requirements established by DCF in administrative rules. The federal requirements include that a QRTP: (a) has a trauma-informed treatment model that is designed to address the needs, including clinical needs as appropriate, of children with serious emotional or behavioral disorders or disturbances; (b) is able to implement the treatment for the child, as identified in an assessment that must generally be completed within 30 days of the child's placement in a QRTP, described in more detail below; (c) has registered or licensed nursing staff and other licensed clinical staff on site; (d) facilitates participation of family members in the child's treatment program, to the extent appropriate and in accordance with the child's best interests; (e) facilitates outreach to the family members of the child, documents how the outreach is made; (f) maintains contact information for any known biological family and fictive kin of the child (individuals with whom the child has a close relationship, such as close family friends) and (g) provides discharge planning and family-based aftercare support for at least six months post-discharge.

Family Permanency Teams. Create and define a "family permanency teams" as a team of individuals assembled upon a child's placement in a QRTP to participate in permanency planning. Specify that, if a child is placed in a QRTP, the agency that placed the child or arranged the placement, or the agency assigned primary responsibility for providing services to the child, must invite all of the following individuals to participate in permanency planning, and may invite others at the agency's discretion: (a) all appropriate biological family members, relatives, and like-kin of the child, as determined by the agency; (b) appropriate professionals who serve as a resource for the child's family, such as teachers, medical or mental health providers who have treated the child, or clergy; and (c) others identified by a child over the age of 14 at the time that the agency responsible for preparing the permanency plan consults with the child, as required under current law. Define "Like-kin" to mean a person who has a significant emotional relationship with a child or the child's family and either: (i) prior to the child's placement in out-of-home care, the person had an existing relationship with the child or the child's family that is similar to a familial relationship; or (ii) during the child's placement in out-of-home care, the person developed a relationship with the child or the child's family that is similar to a familial relationship.

Permanency Plans. Require a permanency plan of a child placed in a QRTP to include specific information, including: (a) documentation of reasonable and good faith efforts to identify and include all required individuals on the family permanency team; (b) if reunification is the child's permanency goal, information demonstrating that the parent from whom the child was removed provided input on the members of the family permanency team or why that input was not obtained; (c) information showing that the standardized assessment, as determined by DCF, was used to determine the appropriateness of the QRTP placement; (d) the placement preferences of the family permanency team; (e) if placement preferences of the family permanency team are not

the placement recommended by the qualified individual who conducted the standardized assessment, the reasons why these preferences were not recommended; and (f) the recommendations of the qualified individual who conducted the standardized assessment.

Provide that, if a child is placed in a QRTP, the court, when conducting the child's permanency review hearings that are required to occur every six or 12 months, must consider certain information related to the continuing appropriateness of the QRTP placement and the agency's efforts to prepare the child to return home to be placed in other settings.

Require that a permanency plan for any child who is a parent or is pregnant include an out-of-home care prevention strategy for any child born to the parenting or pregnant child, and a list of the services or programs to be provided to, or on behalf of, the child to ensure that the child is prepared and able to be a parent. Specify that this requirement would apply to any child for whom a permanency plan is prepared, regardless of the type of placement.

Standardized Assessments by Qualified Individuals. Require that, if a child is held in custody at, or placed or proposed to be placed in, a certified QRTP at certain stages of proceedings under the Children's Code or the Juvenile Justice Code, a qualified individual conduct a standardized assessment of the child's strengths and needs to determine appropriateness of a placement using a tool determined by DCF. After conducting the assessment, require the qualified individual to prepare a recommendation that includes all of the following: (a) whether the proposed placement will provide the child with the most effective and appropriate level of care in the least restrictive environment; (b) how the placement is consistent with the short-term and long-term goals for the child, as specified in the permanency plan; (c) the reasons why the child's needs can or cannot be met by the child's family or in a foster home, with a shortage or lack of foster homes considered an unacceptable reason for determining that the child's needs cannot be met in a foster home; and (d) the placement preference of the family permanency team and, if that preference is not the placement recommended by the qualified individual, why that recommended placement is not preferred.

Provide that the standardized assessment and qualified individual's recommendation must be submitted to the court, and to all persons required to receive a copy, no later than the date of the relevant hearing, the entry of a consent decree, or the filing of the request, depending on the applicable stage of the proceedings. However, specify that if that information is not available by the applicable deadline, the standardized assessment and qualified individual's recommendation must be submitted no later than 30 days after the date on which the placement was made. Further, in certain change-in-placement proceedings, require that the assessment and recommendation be submitted to the court, and provided to individuals entitled to notice, no later than the filing of the written notice of the proposed change or, if not available by that time, within 10 days of the notice's filing, unless the information is not available based on good cause shown, in which case it must be submitted no later than 30 days after the date on which the placement is made.

Require that the designated agency's court report, required under current law to be submitted to the court before entry of a dispositional order, contain a statement indicating whether the recommended placement is a certified QRTP and, if so, the results of the standardized assessment and the qualified individual's recommendation. If that information is not available at the time of

the report, require the agency to submit it by the date of the dispositional hearing or, if not available, no later than 30 days after the date on which the placement was made.

Required Judicial Findings When Placing a Child in a QRTP. Provide that if a child is held in custody at, or placed or proposed to be placed in, a QRTP at various stages of proceedings, the court must, after considering the standardized assessment and the qualified individual's recommendation, include the following findings in its order: (a) whether the needs of the child can be met through placement in a foster home; (b) whether placement of the child in a certified QRTP provides the most effective and appropriate level of care for the child in the least restrictive environment; (c) whether the placement is consistent with the short-term and long-term goals for the child, as identified in the permanency planning; and (d) whether the judge or court commissioner approves or disapproves the placement.

Provide that these judicial findings would apply during the following proceedings:: (i) temporary physical custody of a child removed from the home or taken into custody under s. 48.21 or 938.21, Stats.; (ii) a proposed change in the placement of a child held in temporary physical custody, including an emergency change in placement, under s. 48.217 or 938.217, Stats.; (iii) entry of a consent decree under s. 48.32 or 938.32, Stats.; (iv) dispositional orders under s. 48.355 or 938.355, Stats.; (v) a proposed change in the placement of a child subject to a dispositional order, including an emergency change in placement, under s. 48.357 or 938.357, Stats.; and (vi) a proposed change in the placement of a child whose parents have had their rights terminated and who is subject to a guardianship order, including an emergency change in placement, under s. 48.437, Stats.

Specify that if the results of the standardized assessment and the qualified individual's recommendation are required but not available at the time of the order, the court must defer making the findings, though the court must issue an order with such findings no later than 60 days after the date on which the QRTP placement is made.

DCF Rulemaking and Oversight Authority. Authorize DCF to promulgate rules for the establishment, certification, operation, and monitoring of, and the placement of a child in, a QRTP. Authorize DCF to deny, suspend, restrict, and refuse to review, or otherwise withhold a QRTP's certification based on a failure to comply with certification requirements established by rule. Expand DCF's inspection authority to QRTPs, so that that DCF staff could visit and inspect a QRTPs and have unrestricted access for that purpose.

Authorize DCF to promulgate emergency rules that, if promulgated, could remain in effect until July 1, 2023, or the date on which permanent rules take effect, whichever is sooner. Exempt DCF from the requirements to make a finding of an emergency and to demonstrate the need for an emergency rule.

Effective Dates. Specify that most of these provisions would take effect on September 29, 2021, (or the day after the bill's publication, whichever is later. However, the following provisions relating to DCF's authority, would take effect on the day after the bill's publication: (1) DCF's authority to certify an entity as a QRTP; (2) DCF's authority to deny, suspend, restrict, refuse to renew, or otherwise withhold a QRTP's certification based on a failure to comply with certification requirements established by DCF rules; (3) DCF's authority to visit and inspect a certified QRTP,

including unrestricted access to the premises; and (4) DCF’s authority to promulgate emergency rules.

Joint Finance: Provision not included.

10. QUALIFIED RESIDENTIAL TREATMENT PROGRAMS -- NURSING SERVICES AND CERTIFICATION GPR \$377,800

Governor: Provide \$377,800 in 2022-23 to support the ongoing costs of centralizing nursing services for congregate care facilities. These nursing services, provided through telephone consultations and telehealth services, would be available to all congregate care facilities, 24-hours a day, and seven days a week.

The Federal Family First Prevention Services Act (FFPSA) requires states claiming federal reimbursement for the costs of child welfare services under Title IV-E of the Social Services Act to use QRTPs that have registered or licensed nursing staff, and other clinical staff, available 24 hours a day and seven days a week. However, not all congregate care facilities in Wisconsin are currently required to have nursing staff available onsite, particularly the smaller, community-based providers.

Joint Finance: Modify the provision to provide this funding on a one-time basis in 2022-23.

11. MILWAUKEE QUALIFIED RESIDENTIAL TREATMENT PROGRAM FACILITY [LFB Paper 213]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$1,300,000	- \$1,300,000	\$0

Governor: Provide \$1,300,000 in 2022-23 to create and staff a qualified residential treatment program facility in Milwaukee County to care for youth in out-of-home care that require special services who would otherwise require treatment in out-of-state facilities, since current in-state facilities cannot meet their treatment needs.

Of the funding provided under this item, the administration estimates that \$1,050,000 would support the start-up costs for a 15-bed QRTP facility for a six-month period. In addition, \$250,000 would support QRTP facility staff during a the six-month start-up period and six months of services. Facility staff would include an administrator, one office staff, one psychologist, one licensed practical nurse, one recreation manager, one school administrator, one teacher, one teacher assistant, one cook, one kitchen staff, 15 residential staff, and one maintenance staff. Thereafter, DCF anticipates that ongoing costs after the 2021-23 biennium would be \$500,000 annually.

Joint Finance: Provision not included.

12. IN-HOME PREVENTION SERVICES [LFB Paper 214]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$17,226,800	- \$17,226,800	\$0
FED	<u>7,458,600</u>	<u>- 7,458,600</u>	<u>0</u>
Total	<u>\$24,685,400</u>	<u>- \$24,685,400</u>	<u>\$0</u>

Governor: Provide \$12,342,700 (\$8,613,400 GPR and \$3,729,300 FED) annually to create and implement a statewide in-home prevention services program. Create an annual GPR appropriation for this purpose.

Authorize DCF to do the following: (a) provide funding to county departments, nonprofit corporations, Indian tribes or licensed child welfare agencies under contract with DCF or a county department for services to prevent the removal of children from the home or to promote the safety of children in the home; (b) provide direct support for evidence-based services provided by DCF, county departments, Indian tribes, or licensed child welfare agencies that seek to prevent the removal of children from the home or to promote the safety of children in the home on a statewide, regional, or local level, and (c) develop criteria, standards, and review procedures for administration of these provisions, and to promulgate rules relating to eligibility to receive support for these services.

With respect to the provisions listed under (b), specify that the supports and services could include: (i) training, coaching, quality assurance, and funding for certification or licensing for implementation of the evidence-based services; and (ii) purchasing or subsidizing the purchase of the evidence-based services;

The in-home prevention program would qualify for federal Title IV-E reimbursement pursuant to the federal Family First Prevention Services Act by serving children at imminent risk of placement into out-of-home care and could serve populations and provide crisis medical and respite care that similar home visiting programs funded from the temporary assistance for needy families (TANF) block grant cannot due to financial and time limit restrictions in TANF-funded programs.

Provider Training. Provide \$5,955,200 (\$3,870,900 GPR and \$2,084,300 FED) annually to fund training for child welfare workers and service providers on comprehensive in-home service models that connect families with prevention services, such as evidence-based parenting programs. Funding is provided to support training for approximately 1,000 workers and 200 supervisors annually, at an average cost of approximately \$5,287 per worker and \$1,466 per supervisor. This funding includes \$375,000 (all funds) annually to support supplements for training in rural areas. DSPS intends to develop training for workers through the Wisconsin Child Welfare Professional Development System. The training is intended to shift practices which focus on removing the child from the home to focusing on preventing removal.

Direct Family Supports. Provide \$6,187,500 (\$4,612,500 GPR and \$1,575,000 FED) annually to fund support services, in addition to evidence-based programs, to prevent the removal of children from their homes. The bill would fund direct family supports to 1,500 families annually,

at an average cost of approximately \$4,125 per family.

Other Training. Provide \$200,000 (\$130,000 GPR and \$70,000 FED) annually for DCF to develop and deliver county worker training.

State Staff. The administration indicates that DCF would reassign existing positions (2.0 FTE) in 2021-22 to provide training, locate providers, and implement new cost-reporting for programmatic and fiscal purposes.

Joint Finance: Provision not included.

13. CONGREGATE CARE PROVIDER TRAINING

GPR	\$140,000
FED	<u>60,000</u>
Total	\$200,000

Governor/Joint Finance: Provide \$200,000 (\$140,000 GPR and \$60,000 FED [Title IV-E]) in 2022-23 to provide training for congregate care providers to help them meet accreditation standards for qualified residential treatment programs (QRTPs) under the Family First Prevention Services Act (FFPSA). Further, authorize DCF to provide training for staff, including contractors, of a child welfare agency or congregate care facility. The administration indicates that this is to assist in certification of QRTPs. Congregate care providers are group homes, shelter care facilities, and residential care centers for children and youth.

Beginning October 1, 2021, Wisconsin will no longer be able claim federal Title IV-E reimbursement for maintenance payments for children and youths in out-of-home care after an initial two-week period unless the congregate care placement is accredited as a QRTP that: (a) is nationally accredited; (b) has a nurse employed or under contract who is available 24 hours a day, seven days a week; (c) uses a trauma-informed treatment model; (d) provides aftercare support for at least six months following discharge; and (e) assesses the child within 30 days after the initial placement, conducted by a qualified individual, using a tool approved by the U.S. Department of Health and Human Services. However, a "grandfathering" clause in the FFPSA enables states to continue to claim federal Title IV-E reimbursement for children and youths that were in congregate care facilities as of October 1, 2021.

14. CONSOLIDATE STATUTORY PROVISIONS FOR THE BUREAU OF YOUTH SERVICES

Governor: Consolidate a number of programs into a new program for youth services as follows.

First, repeal the statutory authority, program specifications, and appropriations for the brighter futures program, children's community programs, services for victims of sex trafficking, and homeless and runaway youth programs and replace those programs with grants for youth services to public agencies, nonprofit corporations, and Indian tribes to provide programs that accomplish one or more of the following purposes: (a) increasing youth access to housing; (b) increasing youth self-sufficiency through employment, education, and training; (c) increasing

youth social and emotional health by promoting healthy and stable adult connections, social engagement, and connection with necessary services; (d) preventing sex trafficking of children and youth; (e) providing treatment and services for documented and suspected victims of child and youth sex trafficking; (f) preventing and reducing the incidence of youth violence and other delinquent behavior; (g) preventing and reducing the incidence of youth alcohol and other drug use and abuse; (h) preventing and reducing the incidence of child abuse and neglect; (i) preventing and reducing the incidence of teen pregnancy.

Second require DCF to distribute \$55,000 in each fiscal year to Diverse and Resilient, Inc., to provide programs that accomplish one or more of the purposes above.

Joint Finance: Provision not included.

15. CHILD WELFARE NEW WORKER TRAINING

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$1,500,000	-\$1,500,000	\$0

Governor: Provide \$1,000,000 in 2021-22 and \$500,000 in 2022-23 from Title IV-E funds to design and support a new training program for child welfare workers. In 2021-22, this funding would support the development of an academy model under which training would be provided over six months. The administration anticipates that the new training model would be used beginning January, 2023. Funding in 2022-23 would support estimated ongoing costs of implementing the model, such as in-person training sessions.

Current administrative rules and procedures provide new child welfare workers up to two to complete their training.

Joint Finance: Provision not included.

16. INDEPENDENT LIVING SERVICES -- EXPAND PROGRAM ELIGIBILITY

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$836,400	-\$836,400	\$0

Governor: Provide \$293,000 in 2021-22 and \$543,400 in 2022-23 to expand eligibility for independent living services. As a matter of policy, DCF would expand program eligibility to include: (a) youths who have been in a qualifying court-ordered placement for at least six months after age 16 and who are not adopted or entering guardianship; and (b) youths through age of 23. Currently, program eligibility is limited to youth who age out of out-of-home care and youth between the ages of 18 and 21 who were formerly in out-of-home care. The program is currently supported with federal funds. In federal fiscal year 2019-20, Wisconsin received \$2,401,300 FED

to support independent living services under the Chafee Foster Care Program for Successful Transition to Adulthood grant program.

Independent living services assist to transition to adulthood. The program is intended to lower the risk of adverse economic and social outcomes, including homelessness, higher unemployment rates, lower educational enrollment, and higher rates of criminal involvement.

Joint Finance: Provision not included.

17. SIBLINGS CONNECTIONS PROGRAM

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$150,000	-\$150,000	\$0

Governor: Provide \$75,000 annually to support costs of reuniting siblings who were separated in out-of-home care by providing them with opportunities to socialize through programs designed for this purpose, such as summer camp programs. The administration estimates that the cost of sending one child to a camp that provides programming for sibling reunifications is approximately \$1,000 so the funding in the bill could support up to 75 children to reconnect with their siblings each year.

The bill would codify a nonstatutory grant program that provides funding to counties, nonprofit organizations, or tribes for the purpose of supporting foster parents and providing normalcy for children in out-of-home care. Further, the bill would add sibling reconnection as a qualifying expense for the grants.

Joint Finance: Provision not included.

Juvenile Justice

1. YOUTH AIDS AND OTHER YOUTH AIDS ALLOCATIONS [LFB Paper 220]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$18,857,200	-\$9,428,600	\$9,428,600

Governor: Provide the following adjustments to community youth and family aids (youth aids):

Youth Aids Allocations. Increase total youth aids funding by \$6,024,700 in 2021-22 and

\$14,226,900 in 2022-23. Recommended increased funding includes: (a) \$697,200 annually transferred from the Department's community intervention program appropriation to the youth aids appropriation; and (b) \$5,327,500 in 2021-22 and \$13,529,700 in 2022-23 related to the elimination of the serious juvenile offender program in the Department of Corrections.

Under the bill, total funding for youth aids would be: \$48,396,000 for the last six months of 2021; \$100,893,000 for 2022; and \$52,497,100 for the first six months of 2023.

Specifically, the additional \$697,200 annual increase to youth aids would be the net result of transfers between the youth aids appropriation and the community intervention program appropriation (renamed youth justice system improvements program under the bill, see Item #2 below). The specific reallocations would include: (a) transferring \$3,072,000 from the community intervention program appropriation to the youth aids appropriation to increase youth aids allocations; and (b) removing the earmarks for purchasing community supervision services (\$2,124,800) and emergency funding (\$250,000) in the youth aids appropriation and transferring the funds to the community intervention program appropriation. The net change would increase the youth aids appropriation by \$697,200 annually and decrease the community intervention program appropriation by \$697,200 annually.

Further, the additional \$5,327,500 in 2021-22 and \$13,529,700 in 2022-23 would be provided for a new youth aids component. Create statutory language to specify that the Department must allocate an amount not to exceed \$2,663,800 for the last six months of 2021, \$9,428,600 for 2022, and \$6,764,900 for the first six months of 2023 for costs incurred by a county for the care and maintenance of a juvenile placed under the supervision of a county department or the Department of Corrections in a juvenile detention facility, juvenile correctional facility, or a secured residential care center for children and youth. Allocation of this funding to counties has not yet been determined. [For additional information on this component, see "Department of Corrections -- Juvenile Corrections."]

In addition, remove the youth aids funding earmark for alcohol and other drug abuse (AODA) treatment programs (\$1,333,400 annually). The funding would remain in the base allocation of the formula to be distributed to counties.

Modify statutory provisions relating to the calendar year allocation of youth aids funding by updating calendar year references from previous years to calendar years 2021, 2022, and 2023. Under current law, youth aids funding must not exceed \$45,383,600 for the last six months of 2019, \$90,767,200 for 2020, and \$45,383,600 for the first six months of 2021.

Under current law, DCF must allocate youth aids funding based on statutory funding amounts assigned to calendar years. These allocations are as follows: (a) youth aids funding appropriated in the biennium for distribution to counties (\$66,059,300 GPR and \$2,175,800 FED); (b) youth aids increases provided under 1999 Act 9 (\$4,000,000 GPR), which are paid to counties according to a three-factor formula; (c) youth aids increases provided under 2001 Act 16 (\$2,106,500 GPR), which are paid to counties according to the three-factor formula and an additional override factor; (d) youth aids arrest supplements for small counties (\$200,000 GPR); (e) funding earmarked for emergency funding (\$250,000); (f) youth aids funding earmarked for counties participating in the corrective sanctions program (\$2,124,800 GPR); (g) youth aids

funding earmarked for AODA treatment programs (\$1,333,400 GPR); (h) youth aids increases provided under 2007 Act 20 (\$12,500,000 GPR); and (i) youth aids increases associated with extending out-of-home placements to youth over the age of 18, as provided in 2014 Act 55 (\$89,400 GPR), based on the proportional number of juveniles in correctional facilities during the most recent three-year period. Under the bill, all of the above allocations are maintained except item (g) is eliminated with funding retained within youth aids, and items (e) and (f) are also eliminated but funding transferred to the community intervention programs appropriation. Current youth aids funding also includes a -\$72,000 structural imbalance. The recommended changes would increase total youth aids, eliminate the structural imbalance, and are intended to provide more flexibility in distribution and use of youth aids funding.

Carryover. Modify the state carryover provisions and related youth aids provisions to allow the Department to transfer 10% of its youth aids funds unspent by December 31st of each year to the youth aids funding for the YJSIP appropriation (see Item #2 below). Under current law, the Department can carry forward \$500,000 or 10% of youth aids funds unspent by December 31st to the next two calendar years to the youth aids appropriation and may allocate those funds to counties with persistently high rates of juvenile arrests to improve community-based juvenile delinquency-related services. The bill removes the \$500,000 carry forward option and changes the transfer from counties with persistently high rates of juvenile arrests for serious offenses to a newly created program revenue appropriation. Repeal statutory provisions regarding unspent emergency fund transfers.

Joint Finance: Provision not included. Instead, provide a total increase to the youth aids base allocation of \$4,714,300 annually. Modify statutory language to specify youth aids amounts may not exceed \$47,740,750 for the last six months of 2021, \$95,481,500 for 2022, and \$47,740,750 for the first six months of 2023.

2. YOUTH JUSTICE SYSTEM IMPROVEMENTS PROGRAM

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$11,504,200	3.00	-\$11,504,200	- 3.00	\$0	0.00

Governor: Repeal the statutory language related to the Community Intervention Program and instead, create the Youth Justice System Improvements Program (YJSIP). Create a general purpose revenue (GPR) youth justice system improvements program, state operations appropriation and a program revenue (PR) youth aids funding for YJSIP appropriation for the program (the 10% state youth aids carryover is deposited into the PR appropriation). Provide \$417,000 in 2021-22 and \$11,087,200 in 2022-23 and 3.0 positions annually. Funding includes: (a) \$187,000 in 2021-22 and \$249,300 in 2022-23 to the new GPR appropriation for salaries and fringe benefits, and supplies and services for 3.0 advanced program policy positions; and (b) \$230,000 in 2021-22 and \$10,837,900 in 2022-23 to the renamed YJSIP program appropriation (formerly the community intervention program appropriation) for community-based grants, residential services grants, and training system improvements (which may include vocational and

job placement training or extra training for existing county staff or providers, for example). Recommended positions include: (a) 2.0 advanced program policy positions annually to support program improvements (including researching and establishing statewide standards for youth justice concepts and practices, and subsequently providing training on these standards); (b) 0.5 program policy positions annually for residential services grants; and (c) 0.5 program policy positions annually for community based grants. Allocation of this funding to counties has not yet been determined.

Funding for the program would be provided from the two new appropriations, as well as remaining funds from the current community intervention program appropriation, and would be used to: (a) fund programs that enhance diversion, prevention, or early intervention to reduce the number of justice-involved youth or promote successful outcomes for youth to determine eligibility for payments under this provision, (the Department would be required to have a county or other provider submit a plan for the expenditure of the payment); (b) address emergencies; and (c) fund activities required of the Department related to youth and families under youth aids provisions. Allocation of funding to counties has not yet been determined.

Joint Finance: Provision not included.

3. JUVENILE JUSTICE AIDS FOR 17-YEAR-OLDS

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$20,000,000	-\$20,000,000	\$0

Governor: Provide \$10,000,000 annually in a new sum sufficient appropriation for youth aids-related purposes, but only to reimburse counties, beginning on January 1, 2022, for costs associated with juveniles who were alleged to have violated a state or federal criminal law or any civil law or municipal ordinance at age 17.

Joint Finance: Provision not included.

Departmentwide and Child Support Enforcement

1. STANDARD BUDGET ADJUSTMENTS [LFB Paper 102]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$786,600	-\$5,200	\$781,400
FED	667,000	- 25,400	641,600
PR	<u>1,126,800</u>	<u>- 252,600</u>	<u>874,200</u>
Total	\$2,580,400	-\$283,200	\$2,297,200

Governor: Provide \$1,290,200 (\$393,300 GPR, \$333,500 FED, and \$563,400 PR) annually to reflect the following standard budget adjustments: (a) turnover reduction (-\$318,700 GPR, and -\$321,400 PR annually); (b) full funding of continuing position salaries and fringe benefits (-\$75,500 GPR, \$253,400 FED, and \$464,100 PR annually); (c) overtime (\$737,200 GPR, \$20,700 FED, and \$4,200 PR annually); (d) night and weekend differential pay (\$129,800 GPR, \$11,300 FED, and \$1,300 PR annually); and (e) full funding of lease and directed moves costs (-\$79,500 GPR, \$48,100 FED, and \$415,200 PR annually).

These amounts do not include adjustments for administrative costs of the Wisconsin Shares child care subsidy program or the Wisconsin Works (W-2) program (-\$1,606,300 FED in 2021-22 and -\$1,621,800 FED in 2022-23) and the reduction of 1.75 FED positions, beginning in 2021-22, which are included in separate entries under "Economic Support and TANF-Funded Programs."

Joint Finance: Reduce funding by \$141,600 (-\$2,600 GPR, -\$12,700 FED, and -\$126,300 PR) annually to reflect: (a) increased turnover rate from 3% to 4% for state agency annual turnover reduction (-\$106,200 GPR and -\$107,100 PR annually); and (b) a reallocation of funding to properly reflect the cost of two leases (\$103,600 GPR, -\$12,700 FED, and -\$19,200 PR annually).

2. LOCAL CHILD SUPPORT ENFORCEMENT [LFB Paper 225]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$8,000,000	- \$4,500,000	\$3,500,000
FED	<u>15,529,400</u>	<u>- 8,739,400</u>	<u>6,790,000</u>
Total	\$23,529,400	\$13,239,400	\$10,290,000

Governor: Provide \$11,764,700 (\$4,000,000 GPR and \$7,764,700 FED) annually to increase state support for local administration of the child support enforcement program. Base GPR support for local child support enforcement programs is \$9,310,000. With this increase, GPR support for the program would increase to \$13,010,000 in calendar years 2022 and 2023. The source of the federal funding would be matching funds under Title IV-D of the Social Security Act.

Local child support enforcement agencies operations are supported from several funding sources, including state GPR allocations, federal incentive payments, state medical support incentive payments, county funds, and federal matching funds. Most administrative and enforcement costs incurred by counties are reimbursed by the federal government based on a federal financial participation (FFP) rate of 66% of eligible costs.

If the funding increase provided under this item results in counties increasing their spending on child support activities, the state would claim additional federal matching funds. However, if the effect of the funding increase is to increase the state's share of child support enforcement costs and reduce local costs of these services by a corresponding amount, no additional federal funding would be claimed by the state. Consequently, the federal funding that would be provided under this item reflects the administration's estimate of additional federal Title IV-D funds the state would claim.

Joint Finance: Reduce funding by \$6,619,700 (-\$2,250,000 GPR and -\$4,369,700 FED) annually.

3. PROGRAM REVENUE AND FEDERAL APPROPRIATIONS ADJUSTMENTS

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
FED	\$10,467,400	-\$1,108,000	\$9,359,400
PR	<u>- 40,200</u>	<u>0</u>	<u>- 40,200</u>
Total	\$10,427,200	-\$1,108,000	\$9,319,200

Governor: Provide \$5,213,600 (\$5,233,700 FED and -\$20,100 PR) annually to reflect the net effect of adjustments to several program revenue and federal appropriations, as summarized in the following table.

Joint Finance: Reduce estimated funding by \$554,000 FED annually to reflect corrected estimates of base funding for refugee assistance programs. The following table summarizes the funding change under Joint Finance.

Program Revenue and Federal Appropriations Funding Adjustments

	Source	Base	2021-22			2022-23		
			Funding Change		Total	Funding Change		Total
			This Item	Other Items	Total	This Item	Other Items	Total
Children and Family Services								
Social Services Block Grant -- Children and Family Aids	PR	\$7,356,100	-\$100,000	\$0	\$7,256,100	-\$100,000	\$0	\$7,256,100
Social Services Block Grant -- Operations	PR	2,063,000	79,900	19,800	2,162,700	79,900	19,800	2,162,700
Federal Project Aids	FED	2,894,800	948,500	0	3,843,300	948,500	0	3,843,300
Federal Program Aids	FED	12,152,700	111,700	0	12,264,400	111,700	0	12,264,400
Federal Program Local Assistance (Title IV-E)	FED	9,941,800	3,130,700	4,659,300	17,731,800	3,130,700	4,219,300	17,291,800
Federal Programs -- Local Assistance (Non-Title IV-E)	FED	4,110,100	-275,000	0	3,835,100	-275,000	0	3,835,100
Children and Family Aids -- Foster Care	FED	45,291,000	169,000	82,500	45,542,500	169,000	244,500	45,704,500
Child Welfare -- Aids to Localities	FED	2,817,300	-69,000	0	2,748,300	-69,000	0	2,748,300
Economic Support								
Refugee Assistance -- Federal Funds*	FED	6,181,100	663,800	-42,000	6,844,900	663,800	-42,000	6,844,900
Totals								
FED			\$4,679,700			\$4,679,700		
PR			<u>-20,100</u>			<u>-20,100</u>		
All Funds			\$4,559,600			\$4,659,600		

4. EQUITY GRANT PROGRAM

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$5,000,000	- \$5,000,000	\$0
SEG	<u>5,000,000</u>	<u>- 5,000,000</u>	<u>0</u>
Total	\$10,000,000	- \$10,000,000	\$0

Governor: Provide \$5,000,000 GPR in 2021-22 and \$5,000,000 SEG in 2022-23 to create a grant program for public, private, and nonprofit entities in the state that promote diversity and advance equity and inclusion. Create two annual appropriations for this purpose.

In 2022-23, the program would be funded by the community reinvestment fund with revenues from the legalization of marijuana. [See "Administration -- General Agency Provisions."]

Joint Finance: Provision not included.

5. EQUITY OFFICER POSITION

Governor: Reallocate a vacant position from within DCF to create an agency equity officer position. The agency equity officer would be responsible for coordinating with other agency equity officers and identifying opportunities to advance equity in government operations. The bill does not identify a specific funding source or position to be reallocated. According to the Department, the tasks associated with the equity officer would be assigned to an existing position within the Secretary's Office without additional funding. For additional information, see "Administration -- General Agency Provisions."

Joint Finance: Provision not included.