

CHILDREN AND FAMILIES

| Budget Summary | | | | | | FTE Position Summary | | | | |
|----------------|--------------------------|-----------------|-----------------|--|--------|----------------------|---------|---------|-------------------------|--------|
| Fund | 2022-23 Adjusted Base | Act 19 | | 2023-25 Change Over Base Year Doubled | | 2022-23 | Act 19 | | 2024-25 Over 2022-23 | |
| | | 2023-24 | 2024-25 | Amount | % | | 2023-24 | 2024-25 | Number | % |
| GPR | \$504,827,800 | \$504,911,500 | \$471,741,800 | -\$33,002,300 | - 3.3% | 232.92 | 232.91 | 232.91 | - 0.01 | 0.0% |
| FED | 822,280,400 | 824,027,100 | 924,606,800 | 104,073,100 | 6.3 | 409.24 | 382.98 | 379.98 | - 29.26 | - 7.1 |
| PR | 120,919,100 | 125,335,700 | 125,437,900 | 8,935,400 | 3.7 | 179.51 | 179.51 | 179.51 | 0.00 | 0.0 |
| SEG | 9,274,700 | 9,274,700 | 55,927,600 | 46,652,900 | 251.5 | 0.00 | 0.00 | 0.00 | 0.00 | N.A. |
| TOTAL | \$1,457,302,000 | \$1,463,549,000 | \$1,577,714,100 | \$126,659,100 | 4.3% | 821.67 | 795.40 | 792.40 | - 29.27 | - 3.6% |

Budget Change Items

TANF and Economic Support

1. OVERVIEW OF TANF AND CCDF-RELATED REVENUES AND EXPENDITURES

This item presents an overview of estimates of revenue available to fund economic support and TANF-funded programs in the 2023-25 biennium, and expenditures for these programs budgeted under 2023 Wisconsin Act 19. "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).

As shown in Table 1, the opening balance and total revenues are estimated at \$1,175.5 million in 2023-24 and \$1,122.6 million in 2024-25. The opening balance reflects \$11.0 million of unspent supplemental CCDF previously provided to support a child care subsidy rate increase in 2021-22 that could not be expended due to a decrease in child care subsidy expenditures during the COVID pandemic.

Compared to the adjusted base, GPR is increased by \$0.7 million annually, federal CCDF revenues are increased by \$8.7 million annually, and federal TANF revenues estimated to be reduced by \$3.7 million in resolution of a state appeal of a series of penalties issued by the federal Department of Health and Human Services, and corrective compliance plans undertaken by DCF, relating to work participation targets for TANF-related programs from FFY 2011-12 through 2016-17.

Under Act 19, total expenditures would be \$715.5 million in 2023-24 and \$797.6 million in 2024-25. These amounts include all funds, and represent a decrease from the base budget of \$12.2 million in 2023-24 and an increase of \$70.0 million in 2024-25. 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.

In addition to reestimating revenues, Table 1 reflects the repeal of an obsolete allocation for the Milwaukee offender reentry pilot program, which concluded as of June, 2023.

TABLE 1
W-2 and TANF Related Revenue and Expenditures
Act 19

| | <u>Adjusted Base</u> | <u>Act 19</u> | | <u>Change to Base</u> | | <u>Item</u> |
|--|----------------------|------------------|------------------|-----------------------|----------------|------------------|
| | | <u>2023-24</u> | <u>2024-25</u> | <u>2023-24</u> | <u>2024-25</u> | |
| Opening Balance (Carryover) | | \$516,500,000 | \$459,998,200 | | | |
| Revenue | | | | | | |
| GPR Appropriations Base Funding | \$160,381,400 | \$161,070,100 | \$161,070,100 | \$688,700 | \$688,700 | 13 |
| FED -- TANF Block Grant | 311,009,600 | 307,336,800 | 311,009,600 | -3,672,800 | 0 | |
| FED -- CCDF | 163,919,100 | 172,614,100 | 172,614,100 | 8,695,000 | 8,695,000 | |
| FED -- CCDF & TANF Recoveries | 4,287,600 | 4,287,600 | 4,287,600 | 0 | 0 | |
| PR -- Child Support Collections | 2,749,000 | 2,749,000 | 2,749,000 | 0 | 0 | |
| PR -- Child Care Fees | 1,530,800 | 1,500,000 | 1,500,000 | -30,800 | -30,800 | 21 |
| PR -- Social Services Block Grant | 100,000 | 100,000 | 100,000 | 0 | 0 | |
| PR -- Public Assistance Recoveries | 160,600 | 160,600 | 160,600 | 0 | 0 | |
| SEG -- Public Benefits Fund (SEG) | <u>9,139,700</u> | <u>9,139,700</u> | <u>9,139,700</u> | <u>0</u> | <u>0</u> | |
| Total Revenues | \$653,277,800 | \$658,957,900 | \$662,630,700 | \$5,680,100 | \$9,352,900 | |
| Total Available | | \$1,175,457,900 | \$1,122,628,900 | | | |
| Expenditures | | | | | | |
| <i>Child Care</i> | | | | | | |
| Direct Child Care Services | \$383,900,400 | \$368,834,800 | \$428,779,700 | -\$15,065,600 | \$44,879,300 | 3, 4, 5, 6, 7 |
| Quality Care for Quality Kids | 16,683,700 | 28,518,700 | 46,018,700 | 11,835,000 | 29,335,000 | 8, 9, 10, 11, 12 |
| Child Care Admin. and Licensing | 42,877,700 | 45,796,000 | 45,570,300 | 2,918,300 | 2,692,600 | 13, 21 |
| <i>Employment Programs</i> | | | | | | |
| W-2 Benefits | 34,000,000 | 28,000,000 | 29,000,000 | -6,000,000 | -5,000,000 | 14 |
| W-2 Worker Supplement | 2,700,000 | 2,700,000 | 2,700,000 | 0 | 0 | |
| W-2 Service Contracts | 57,071,200 | 57,071,200 | 57,071,200 | 0 | 0 | |
| Transitional/Transform Milwaukee Jobs | 9,500,000 | 9,500,000 | 9,500,000 | 0 | 0 | |
| Children First | 1,140,000 | 1,140,000 | 1,140,000 | 0 | 0 | |
| <i>Child Welfare Programs</i> | | | | | | |
| Kinship Care Benefits & Assessments | 31,441,800 | 31,719,200 | 35,661,000 | 277,400 | 4,219,200 | 15 |
| Child Welfare Safety Services | 10,314,300 | 10,314,300 | 10,314,300 | 0 | 0 | |
| Child Welfare Prevention Services | 6,789,600 | 6,789,600 | 6,789,600 | 0 | 0 | |
| Child Abuse Prevention Grant | 500,000 | 500,000 | 500,000 | 0 | 0 | |
| Substance Abuse Prevention Grant | 500,000 | 500,000 | 500,000 | 0 | 0 | |
| <i>Housing Programs</i> | | | | | | |
| Emergency Assistance | 6,000,000 | 6,000,000 | 6,000,000 | 0 | 0 | |
| Homeless Grants | 500,000 | 500,000 | 500,000 | 0 | 0 | |
| Case Mgt. Services for Homeless Families | 500,000 | 500,000 | 500,000 | 0 | 0 | |

| | <u>Adjusted Base</u> | <u>Act 19</u> | | <u>Change to Base</u> | | <u>Item</u> |
|-------------------------------------|----------------------|-------------------|-------------------|-----------------------|-------------------|-------------|
| | | <u>2023-24</u> | <u>2024-25</u> | <u>2023-24</u> | <u>2024-25</u> | |
| <i>Grant Programs</i> | | | | | | |
| Boys & Girls Clubs of America | \$2,807,000 | \$7,807,000 | \$2,807,000 | \$5,000,000 | \$0 | 16 |
| GED Test Assistance | 241,300 | 241,300 | 241,300 | 0 | 0 | |
| Adult Literacy | 118,100 | 118,100 | 118,100 | 0 | 0 | |
| Legal Services | 500,000 | 500,000 | 500,000 | 0 | 0 | |
| Families and Schools Together | 250,000 | 250,000 | 250,000 | 0 | 0 | |
| Jobs for America's Graduates | 500,000 | 1,000,000 | 1,000,000 | 500,000 | 500,000 | 17 |
| Wisconsin Community Services | 400,000 | 400,000 | 400,000 | 0 | 0 | |
| Fostering Futures | 560,300 | 560,300 | 560,300 | 0 | 0 | |
| Child Support Debt Reduction | 0 | 0 | 0 | 0 | 0 | |
| Skills Enhancement Grants | 0 | 500,000 | 500,000 | 500,000 | 500,000 | 20 |
| <i>Administrative Support</i> | | | | | | |
| Public Assistance & TANF Admin. | 17,820,700 | 19,015,300 | 19,424,300 | 1,194,600 | 1,603,600 | 18 |
| Local Fraud Prevention | 605,500 | 605,500 | 605,500 | 0 | 0 | |
| Funding Transfers to Other Agencies | | | | | | |
| DHS -- SSI Caretaker Supplement | 18,145,000 | 9,699,900 | 10,990,400 | -8,445,100 | -7,154,600 | 19 |
| DHS -- Social Services Block Grant | 14,653,500 | 14,653,500 | 14,653,500 | 0 | 0 | |
| DOR -- Earned Income Tax Credit | <u>66,600,000</u> | <u>61,725,000</u> | <u>65,002,000</u> | <u>-4,875,000</u> | <u>-1,598,000</u> | 22 |
| Total Expenditures | \$727,620,100 | \$715,459,700 | \$797,597,200 | -\$12,160,400 | \$69,977,100 | |
| Year-End Closing Balance | | \$459,998,200 | \$325,031,700 | | | |

[Act 19 Sections: 289 and 298]

2. DIRECT CHILD CARE SERVICES -- OVERVIEW

The following table summarizes the funding in Act 19 that would be allocated, by statute, for direct child care services. The table includes the five items described below: (a) the estimated cost-to-continue base subsidies for the Wisconsin Shares child care subsidy program; (b) changing Wisconsin Shares authorizations based on full- and part-time authorizations, rather than on an hourly basis; (c) setting a single initial eligibility and phase-out threshold for Wisconsin Shares subsidies at 200% FPL, beginning in 2024-25; (d) changing the copayment phase-out to \$1 for every \$5 increase in a participating household's income, rather than \$1 for to every \$3 increase in a participating household's income, as under current law, beginning in 2024-25; and (e) increased funding for tribal child care contracts.

| <u>Budget Items</u> | <u>Base Funding</u> | <u>2023-24</u> | <u>2024-25</u> | <u>Change to Base</u> | |
|-------------------------------|----------------------|----------------------|----------------------|-----------------------|---------------------|
| | | | | <u>2023-24</u> | <u>2024-25</u> |
| Wisconsin Shares Reestimate | \$369,045,400 | \$300,145,400 | \$315,145,000 | -\$68,900,000 | -\$53,900,400 |
| Part/Full-Time Authorization | 0 | 53,459,800 | 71,279,700 | 53,459,800 | 71,279,700 |
| County Contracts | 14,855,000 | 14,855,000 | 14,855,000 | 0 | 0 |
| Tribal Contracts | 0 | 375,000 | 500,000 | 375,000 | 500,000 |
| Initial Eligibility Expansion | 0 | 0 | 5,000,000 | 0 | 5,000,000 |
| Subsidy Phase-out | <u>0</u> | <u>0</u> | <u>22,000,000</u> | <u>0</u> | <u>22,000,000</u> |
| Total | \$383,900,400 | \$368,835,200 | \$428,779,700 | -\$15,065,200 | \$44,879,300 |

3. DIRECT CHILD CARE -- WISCONSIN SHARES SUBSIDY REESTIMATE [LFB Paper 251]

| | |
|-----|-----------------|
| FED | - \$122,800,800 |
|-----|-----------------|

Reduce funding by \$68,900,400 FED in 2023-24 and by \$53,900,400 FED in 2024-25 to reflect estimates of the cost of subsidies under current law. The downward estimate is the result of two main factors. First, current law allocates funding for YoungStar bonuses (approximately \$19 million annually) under the TANF allocation for direct care subsidies. However, as of the beginning of 2021, YoungStar bonus payments ended and were effectively subsumed within the Child Care Counts program, thereby reducing expenditures for direct child care subsidies. Second, provisions of 2019 Act 9 and 2021 Act 58 provided for substantial increases in program spending to support subsidy increases that were anticipated to increase caseloads. However, for several reasons, including reduced demand for childcare services during the COVID-19 pandemic, caseloads decreased rather than increased and have not yet recovered to their previous levels.

[Act 19 Section: 293]

4. DIRECT CHILD CARE SUBSIDIES -- PART-TIME AND FULL-TIME AUTHORIZATIONS [LFB Paper 251]

| | |
|-----|---------------|
| FED | \$124,739,500 |
|-----|---------------|

Provide \$53,459,800 in 2023-24 and \$71,279,700 in 2024-25 to fund the full cost of implementing Wisconsin Shares authorizations based on part-time and full-time authorizations, instead of exact hourly authorizations. Under current practice, authorizations for child care may be for full-time care (between 35 and 50 hours per week) or part-time care (less than 35 hours per week). Additional time may also be authorized, although a child cannot be authorized for more than 75 hours per week.

Federal law requires that subsidy payments reflect generally accepted payment practices of child care providers who serve children who do not receive CCDF subsidies, including payments made based on full- or part-time reservations. The federal Administration for Children and Families conditionally approved the state's federal fiscal years 2022-2024 CCDF plan with the requirement that DCF develop new policies for rate authorizations using part-time and full-time authorizations.

According to DCF, under the new system, authorizations under 21 weekly hours will receive a part-time rate, and authorizations of 21 hours or more will receive a full-time rate. DCF estimates the cost of this change is \$71.3 million on an annualized basis, with the new authorizations beginning October, 2023.

[Act 19 Section: 293]

5. DIRECT CHILD CARE SERVICES -- SUBSIDY PHASE-OUT [LFB Paper 251]

| | |
|-----|--------------|
| FED | \$22,000,000 |
|-----|--------------|

Provide \$22,000,000 in 2024-25 and change the increase in Wisconsin Shares copayments above the phase-out threshold to \$1 for every \$5 increase in a participating household's income, rather than \$1 for every \$3 increase in a participating household's income, as under current law,

beginning in 2024-25.

[Act 19 Sections: 287, 293, and 9406(1r)]

6. DIRECT CHILD CARE SERVICES -- WISCONSIN SHARES INITIAL ELIGIBILITY EXPANSION [LFB Paper 251]

| | |
|-----|-------------|
| FED | \$5,000,000 |
|-----|-------------|

Provide \$5,000,000 in 2024-25 to set a single initial eligibility and phase-out threshold for Wisconsin Shares subsidies at 200% of the federal poverty level (FPL), beginning in 2024-25. Under current law, applicants are financially eligible for Wisconsin Shares if their annual income is at or below 185% of the FPL. Through fiscal year 2023-24, the required family copayments increase by \$1 for every \$3 a participating family's income increases above the 200% FPL phase out threshold. (Under Act 19, the copayments increase \$1 for every \$5 increase in a participating households income, beginning in 2024-25.) Families remain financially eligible so long as their income remains at or below the phase-out threshold of 85% of the state median income.

[Act 19 Sections: 286, 293, and 9406(1r)]

7. DIRECT CHILD CARE SERVICES -- TRIBAL CONTRACTS

| | |
|-----|-----------|
| FED | \$875,000 |
|-----|-----------|

Provide \$375,000 in 2023-24 and \$500,000 2024-25 to increase funding for tribal child care contracts. Nine of the state's 11 tribes currently have child care contracts with DCF to carry out state child care certification activities, Wisconsin Shares authorizations and administration, and fraud prevention and investigations. Funding could support increases to existing tribal child care contracts, which could support at least one additional FTE position per tribe.

[Act 19 Section: 293]

8. QUALITY CARE FOR QUALITY KIDS -- SOCIAL EMOTIONAL LEARNING INITIATIVE [LFB Paper 254]

| | |
|-----|-------------|
| FED | \$1,070,000 |
|-----|-------------|

Provide \$535,000 annually to increase funding for social emotional learning (SEL) initiatives to assist children and youth to manage their emotions, develop self-control, sustain supportive relationships, and reduce problem behaviors. Including base funding (\$535,000), overall funding for such programs is \$1,070,000 annually.

[Act 19 Section: 295]

9. QUALITY CARE FOR QUALITY KIDS -- QUALITY RATING AND IMPROVEMENT SYSTEM (YOUNGSTAR) [LFB Paper 253]

| | |
|-----|--------------|
| FED | \$30,000,000 |
|-----|--------------|

Provide \$10,000,000 in 2023-24 and \$20,000,000 in 2024-25 to the statutory allocation for quality care for quality kids to fund the resumption of YoungStar adjustment to subsidies under

the Wisconsin Shares child care subsidy program based on the number of stars child care providers earn.

[Act 19 Sections: 285 and 295]

10. QUALITY CARE FOR QUALITY KIDS -- TEACH SCHOLARSHIPS AND REWARD STIPENDS [LFB Paper 254]

| | |
|-----|-------------|
| FED | \$5,000,000 |
|-----|-------------|

Provide \$5,000,000 in 2024-25 to support enhanced TEACH scholarships and REWARD stipends. The TEACH program provides scholarships to teachers and child care providers for educational costs directly related to the child care field. The REWARD program provides stipends to child care providers and teachers, provided that they meet certain requirements for education, employment, and career longevity. Stipend amounts are based on the individual's career level in the Registry, a credential system for the child care and education profession. The Registry awards certificates for specialized teaching fields and determines an individual's placement into the career levels system based on the individual's education and training.

[Act 19 Section: 295]

11. QUALITY CARE FOR QUALITY KIDS -- SHARED SERVICES NETWORK [LFB Paper 254]

| | |
|-----|-------------|
| FED | \$2,500,000 |
|-----|-------------|

Provide \$2,500,000 in 2024-25 to support development and expansion of the Wisconsin Early Education Shared Services Network (WEESN). Child care providers use WEESN to pool resources and achieve economies of scale in purchasing supplies, conducting training, and recruiting workers.

[Act 19 Sections: 284 and 295]

12. QUALITY CARE FOR QUALITY KIDS -- CHILD CARE RESOURCE AND REFERRAL

| | |
|-----|-------------|
| FED | \$2,600,000 |
|-----|-------------|

Provide \$1,300,000 annually for child care resource and referral services. Wisconsin contracts with locally based child care resource and referral agencies to provide the following services: (a) connect parents with child care services and consumer education to make informed choices in selecting child care; (b) provide guidance to parents on child development, early learning, child abuse and neglect prevention, health and wellness, early care and education, and school-readiness; (c) develop professionals who care for and educate children; (d) deliver training and professional development, conferences, on-site consultation, and networking opportunities; (e) design, implement, and evaluate child care quality improvement initiatives; and (f) collect, analyze, and share data about early child care and education. Resource and referral agencies also function as local YoungStar offices. Together with base funding, overall funding would be \$2,598,600 annually.

[Act 19 Sections: 283 and 295]

13. CHILD CARE -- STATE ADMINISTRATION

| | Funding | Positions |
|-------|------------------|------------------|
| GPR | \$1,377,400 | 0.00 |
| FED | <u>4,184,500</u> | <u>-1.00</u> |
| Total | \$5,561,900 | -1.00 |

Increase funding by \$2,893,800 (\$688,700 GPR and \$2,205,100 FED) in 2023-24 and \$2,668,100 (\$688,700 GPR and \$1,979,400 FED) in 2024-25 for state administration of child care programs, including the following.

Online Licensing. Provide \$994,400 FED in 2023-24 and \$426,900 FED in 2024-25 for the costs of transitioning childcare provider licensing from a paper-based system to an online format.

Child Care Statewide Administration on the Web (CSAW). Increase funding by \$688,700 GPR annually to reflect the transfer of the administrative responsibilities for, and costs of, CSAW from the Department of Health Services to DCF. CSAW is used to create authorizations for families to receive Wisconsin Shares child care subsidies. A corresponding GPR reduction is reflected under "Health Services -- FoodShare and Public Assistance Administration."

CARES. Provide \$126,200 FED in 2023-24 and \$200,400 FED in 2024-25 to support administrative vendor contract costs for the Client Assistance for Re-employment and Economic Support (CARES) system.

Cybersecurity. Provide \$376,900 FED annually to support DCF's cybersecurity plan, which is summarized under "Departmentwide."

Standard Budget Adjustments. Increase CCDF funding by \$707,600 FED in 2023-24 and by \$975,200 FED in 2024-25 to reflect standard budget adjustments, including: (a) turnover reduction (-\$627,700 annually); (b) full funding of continuing position salaries and fringe benefits (\$968,100 annually); (c) full funding of lease and directed moves costs (-\$102,600 in 2023-24 and -\$128,300 in 2024-25); and (d) a realignment of funding and positions within the Department (-\$146,700 annually). Finally, a funding increase of \$616,500 in 2023-24 and \$909,800 in 2024-25 would be for staff costs associated with health insurance, retirement, and reserves.

[Act 19 Section: 294]

14. WISCONSIN WORKS BENEFITS REESTIMATE [LFB Paper #250]

| | |
|-----|---------------|
| FED | -\$11,000,000 |
|-----|---------------|

Reduce funding for Wisconsin Works (W-2) benefits payments by \$6,000,000 in 2023-24 and by \$5,000,000 in 2024-25 to fund projected costs in the 2023-25 biennium. Base funding for W-2 benefits is \$34,000,000, so a total of \$28,000,000 in 2023-24 and \$29,000,000 in 2024-25 in TANF funds would be budgeted to fund W-2 benefits.

[Act 19 Section: 288]

15. KINSHIP CARE [LFB paper 266]

| | |
|-----|-------------|
| FED | \$4,496,600 |
|-----|-------------|

Increase TANF funding for kinship care payments by \$277,400 in 2023-24 and \$4,219,200 in 2024-25 to reflect caseload estimates and to fund an increase the monthly rate from \$300 to \$375, beginning January 1, 2024. Additional information on this item is provided under "Child Welfare."

[Act 19 Section: 297]

16. BOYS AND GIRLS CLUBS [LFB Paper 255]

| | |
|-----|-------------|
| FED | \$5,000,000 |
|-----|-------------|

Provide \$5,000,000 in 2023-24 to increase grants for the Boys and Girls Clubs of Wisconsin. Under Act 19, total grant funding budgeted for the Boys and Girls Clubs of Wisconsin is \$7,807,000 FED in 2023-24 and \$2,807,000 FED in 2024-25.

[Act 19 Section: 9106(1r)]

17. JOBS FOR AMERICA'S GRADUATES PROGRAM [LFB Paper 255]

| | |
|-----|-------------|
| FED | \$1,000,000 |
|-----|-------------|

Provide \$500,000 annually to expand the Jobs for America's Graduates (JAG) program to up to five additional schools in rural and urban areas of the state. Total funding for the program would increase from \$500,000 to \$1,000,000 annually, beginning in 2023-24.

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. In 2020-21, the JAG program served 290 students (116 of whom were funded through DCF) in Chippewa, Clark, Dane, Jackson, Marathon, Milwaukee, Monroe, and Rock Counties.

[Act 19 Section: 291]

18. STATE ADMINISTRATION OF WISCONSIN WORKS AND OTHER RELATED TANF PROGRAMS [LFB Paper 105]

| | |
|-----|-------------|
| FED | \$2,798,200 |
|-----|-------------|

Increase funding by \$1,194,600 in 2023-24 and \$1,603,600 in 2024-25 to support the costs of administering TANF-related programs, including the following.

BRITS. Provide one-time funding of \$118,300 in 2023-24 and \$322,900 in 2024-25 for enhancements and system upgrades for the Benefit Recovery Investigation Tracking System (BRITS). BRITS is an 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.

eWiSACWIS. Provide one-time funding of \$268,800 in each year of the biennium to support the vendor contract to develop mobile solutions and other advancements to the Wisconsin statewide automated child welfare information system (eWiSACWIS), as described under "Child Welfare."

CARES. Provide \$199,200 in 2023-24 and \$316,400 in 2024-25 to support administrative vendor contract costs for the Client Assistance for Re-employment and Economic Support (CARES) system.

Homeless Case Management Services. Provide \$14,900 in 2023-24 and \$36,600 in 2024-25 to support staffing costs for the homeless case management services grant program.

Cybersecurity. Provide \$127,400 FED annually to support DCF's cybersecurity plan, which is summarized under "Departmentwide."

Standard Budget Adjustments. Increase TANF funding by \$466,000 in 2023-24 and by \$531,500 in 2024-25 to reflect standard budget adjustments, including: (a) turnover reduction (-\$212,500 annually); (b) full funding of continuing position salaries and fringe benefits (\$428,100 annually); and (c) full funding of lease and directed moves costs (\$22,300 in 2023-24 and \$11,800 in 2024-25). Finally, allocate \$228,100 in 2023-24 and \$304,100 in 2024-25 to fund staff costs associated with health insurance, retirement, and reserves.

[Act 19 Section: 290]

19. CARETAKER SUPPLEMENT [LFB Paper 256]

| | |
|-----|----------------|
| FED | - \$15,599,700 |
|-----|----------------|

Reduce funding by \$8,445,100 in 2023-24 and \$7,154,600 in 2024-25 to reflect: (a) reestimates of TANF-funded and GPR-funded state SSI supplemental payments; and (b) the cost of increasing the supplement by 10%, effective July 1, 2023. Administered by the Department of Health Services, the caretaker supplement program provides monthly cash payments to individuals who receive supplemental security income (SSI) payments that have dependent children. Under the program, in addition to receiving state and federal SSI benefit payments, SSI recipients with dependent children receive a monthly caretaker supplement of \$250 per month for the first child and \$150 per month for each additional child. With the increase, the supplement is \$275 for the first child and \$165 for each additional child.

Under Act 19, a total of \$9,699,900 in 2023-24 and \$10,990,400 in 2024-25, funded from TANF, is budgeted to fund caretaker supplement payments and program administration costs.

[Act 19 Sections: 296 and 312]

20. SKILLS ENHANCEMENT GRANTS [LFB Paper 255]

| | |
|-----|-------------|
| FED | \$1,000,000 |
|-----|-------------|

Provide \$500,000 in 2023-24 and 2024-25 on a one-time basis to fund skills enhancement grants DCF provides to community action agencies (CCA). Together with base funding (\$250,000 GPR), \$750,000 (all funds) would be budgeted in both 2023-24 and 2024-25 for grants to CAAs. Create a statutory TANF allocation for this purpose.

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 (\$37,290 for a family of three in 2023).

[Act 19 Section: 292]

21. CHILD CARE FEE REVENUE REESTIMATE

| | |
|-------|-----------------|
| FED | \$110,600 |
| PR | <u>-110,600</u> |
| Total | \$0 |

Reduce PR revenue estimates and funding by \$30,800 annually to reflect estimates of child care licensing fee revenue to support program costs, and, in order to support the cost to continue TANF-related programs, increase funding from the TANF block grant (FED) by corresponding amounts. This reestimate of program revenue and reallocation of TANF is reflected as: (a) a reduction in PR expenditures, with corresponding FED increases, for administrative standard budget adjustments of \$112,200 in 2023-24 and \$97,500 in 2024-25; and (b) an increase of \$81,400 PR in 2023-24 and \$66,700 PR in 2024-25 budgeted for program administration (supplies and services), with corresponding decreases in federal spending.

In addition to the PR reestimate, decrease PR funding by \$24,500 annually and increase FED funding by a corresponding amount to support the implementation of a cybersecurity plan under "Departmentwide," which reflects the transfer of PR funding that would have otherwise been used to support TANF-related programs.

22. EARNED INCOME TAX CREDIT - REESTIMATE

| | |
|-----|--------------|
| FED | -\$6,473,000 |
|-----|--------------|

Reduce funding for the refundable portion of earned income tax credit by \$4,875,000 in 2023-24 and \$1,598,000 in 2024-25 to reflect reestimates of credit claims under current law. [See "General Fund Taxes -- Income and Franchise Taxes."]

TANF funding budgeted for the refundable portion of the earned income tax credit would decrease from \$66,600,000 to \$61,725,000 in 2023-24 and \$65,002,000 in 2024-25.

[Act 19 Section: 301]

23. NATIONAL READING PROGRAM

Create an annual GPR appropriation to support national reading program grants. Provide \$500,000 GPR annually in the Joint Committee on Finance program supplements appropriation for this purpose. The fiscal effect of this provision is shown under "Program Supplements."

[Act 19 Section: 110]

Child Welfare

1. FOSTER CARE AND KINSHIP CARE RATES [LFB Paper 266]

| | |
|-------|----------------|
| GPR | \$1,153,300 |
| FED | <u>606,500</u> |
| Total | \$1,759,800 |

Provide \$586,600 (\$384,400 GPR and \$202,200 FED) in 2023-24 and \$1,173,200 (\$768,900 GPR and \$412,300 FED) in 2024-25 to: (a) increase the base monthly rates for basic foster care (level two) and treatment foster care (levels three through five) by 5%, as shown in the table below; and (b) increase the monthly rates paid to kinship care providers and foster care providers with child-specific (level one) licenses (typically relatives or others with a close relationship to the child they are fostering) from \$300 per child per month to \$375 per child per month. The federal share of the funding reflects estimated reimbursements the state will receive under Title IV-E of the Social Security Act (child welfare). [TANF funding budgeted to support the increase to kinship care rates is shown under "TANF and Economic Support."]

Specify that these rate increases would take effect January 1, 2024. Update the statutory amounts DCF pays to counties under the Children and Family Aids program to support the estimated cost to counties (except for Milwaukee County) to provide increased foster care payments to \$101,551,400 in 2023-24 and \$101,939,600 in 2024-25.

The following table shows the current base rates and rates that will take effect on January 1, 2024.

| | <u>Current Base Rate</u> | <u>Rate as of January 1, 2024</u> |
|----------------------|------------------------------|---------------------------------------|
| Up to Age Five | \$420 | \$441 |
| Ages Five through 11 | 460 | 483 |
| Ages 12 through 14 | 522 | 548 |
| Ages 15 and Over | 545 | 572 |

[Act 19 Sections: 113 and 255 thru 258]

2. DIVISION OF MILWAUKEE CHILD PROTECTIVE SERVICES -- AIDS PAYMENTS AND CONTRACTED SERVICES

| | |
|-------|------------------|
| GPR | \$5,035,100 |
| FED | <u>3,504,000</u> |
| Total | \$8,539,100 |

Provide \$4,274,300 (\$2,521,100 GPR and \$1,753,200 FED) in 2023-24 and \$4,264,800 (\$2,514,000 GPR and \$1,750,800 FED) in 2024-25 to reflect reestimates of the cost of Division of Milwaukee Child Protective Services (DMCPS) aids payments and contracted services. Base funding for these costs is \$111,112,300 (\$70,591,000 GPR, \$23,601,300 PR, and \$16,920,000 FED).

This includes the following: (a) an adjustment to the division of costs between GPR and

FED to reflect updated claiming and federal matching rates (-\$694,700 GPR and \$694,700 FED annually); (b) a decrease in funding for out-of-home care and wraparound services, to reflect expected caseloads and service costs lower than the base budget, of \$3,327,200 (-\$3,175,000 GPR and -\$152,200 FED) in 2023-24 and a decrease of \$3,336,700 (-\$3,182,100 GPR and -\$154,600 FED) in 2024-25; and (c) an increase in funding for aids contracts costs, such as funding for case management, court services, placement services, and foster parent training, of \$7,601,500 (\$6,390,800 GPR and \$1,210,700 FED) annually.

3. TRIBAL SUBSIDIZED GUARDIANSHIPS [LFB Paper 268]

| | |
|------------|----------------|
| FED | \$292,600 |
| PR | <u>539,200</u> |
| Total | \$831,800 |
| GPR-Tribal | -\$539,200 |

Provide \$395,800 (\$139,200 FED and \$256,600 PR) in 2023-24 and \$436,000 (\$153,400 FED and \$282,600 PR) in 2024-25 to reimburse tribes and bands for the cost of subsidized guardianships. Create a PR appropriation in DCF for this purpose and create a corresponding allocation under a Department of Administration (DOA) tribal gaming appropriation. Specify that any amounts of tribal gaming revenue transferred to DCF under this appropriation that are not expended revert to the DOA tribal gaming appropriation at the end of the fiscal year.

Authorize DCF to enter into agreements with tribal governments to provide reimbursement for subsidized guardianships, but require that such agreements require tribes and bands to comply with all requirements for administering subsidized guardianships that apply to counties, including eligibility. Make modifications to the statutes related to subsidized guardianships to expand provisions that apply to counties to also apply to tribes and bands. Specify that a county may continue to make payments, and receive state reimbursement, for subsidized guardianships ordered by a tribal court if that county has entered into an agreement with the tribal government to do so.

The subsidized guardianship program funds payments to court-appointed guardians who provide permanent care for children with whom they have a familial or other significant emotional relationship. Subsidies are capped at the level of the foster care maintenance payment the guardian was receiving prior to the guardianship agreement. Financial responsibility for subsidized guardianships was transferred from local child welfare agencies to the state under 2021 Act 132, but the Act did not apply to subsidized guardianships ordered by a tribal court.

[Act 19 Sections: 112, 114, 147, 249, and 259 through 281]

4. INFORMATION SYSTEM ENHANCEMENTS [LFB Paper 270]

| | |
|-----|-------------|
| FED | \$4,837,800 |
|-----|-------------|

Provide \$2,418,900 (Title IV-E) annually for enhancements to the electronic Wisconsin Statewide Automated Child Welfare Information System (eWiSACWIS). DCF and local child welfare agencies use eWiSACWIS as the database and case management system for all children involved in the child welfare system. DCF currently funds operation of the system with \$5,375,500 per year, consisting of \$2,321,500 GPR, \$1,935,200 FED matching funding received under Title IV-E, \$581,300 PR from counties assessed as their share of costs, and \$537,500 FED received under TANF corresponding to the share of costs related to the kinship care caseload.

This item reflects only the Title IV-E funding changes, while the TANF funding (\$215,000 annually in one-time funding and \$53,800 annually in ongoing funding) is shown under "TANF and Economic Support." Of the amounts budgeted in 2024-25, \$2,150,100 [(\$1,935,100 FED (Title IV-E) and \$215,000 FED (TANF))] would be provided as one-time funding.

5. STATE OUT-OF-HOME CARE AND ADOPTIONS RE-ESTIMATE

| | |
|-------|------------------|
| GPR | - \$7,174,900 |
| FED | <u>3,024,600</u> |
| Total | - \$4,150,300 |

Reduce funding by \$2,739,700 (-\$4,055,700 GPR and \$1,316,000 FED) in 2023-24 and by \$1,410,600 (-\$3,119,200 GPR and \$1,708,600 FED) in 2024-25 to reflect a reestimate of adoption assistance, subsidized guardianship, and state foster care payments, changes in federal claiming rates in the 2023-25 biennium, and an increase to state adoption services contract costs to meet new federal requirements. The state claims federal matching funding for these costs under Title IV-E of the Social Security Act.

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 subsidized guardianship program funds payments to court-appointed guardians who provide permanent care for children with whom they have a familial or other significant emotional relationship. Subsidies are capped at the level of the foster care maintenance payment the guardian was receiving prior to the guardianship agreement. Financial responsibility for subsidized guardianships was transferred from local child welfare agencies to the state under 2021 Act 132. The base funding shown in the table below reflects GPR funding transferred through a request approved by the Joint Committee on Finance; the corresponding federal appropriation was not reestimated to include base funding specific to subsidized guardianships.

The state foster care program provides temporary care for children in the custody of the state. Custody may be transferred from local child welfare agencies (or DMCPS) for children who are awaiting adoption and whose parents' parental rights have been terminated, including children who have been placed in out-of-home care for 15 of the most recent 22 months.

DCF provides pre-adoption services under the public adoptions program including case management, identification of potential adoptive families, and training, and provides post-adoption supports, services, and information under the Wisconsin adoption and permanency support (WiAPS) program. This item includes an increase in funding for these services to meet federal requirements related to re-investing savings under the federal Fostering Connections to Success and Increasing Adoptions Act of 2008.

The following table summarizes, by source, the base funding for these payments and services, the funding changes under this item, and the total funding provided.

| | 2023-24 | | | 2024-25 | | |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | GPR | FED IV-E | All Funds | GPR | FED IV-E | All Funds |
| Adoption Assistance | | | | | | |
| Base Funding | \$44,783,900 | \$46,811,900 | \$91,595,800 | \$44,783,900 | \$46,811,900 | \$91,595,800 |
| Reestimate | <u>-2,909,800</u> | <u>-853,100</u> | <u>-3,762,900</u> | <u>-2,903,500</u> | <u>-846,100</u> | <u>-3,749,600</u> |
| Subtotal | \$41,874,100 | \$45,958,800 | \$87,832,900 | \$41,880,400 | \$45,965,800 | \$87,846,200 |
| Subsidized Guardianship | | | | | | |
| Base Funding | \$5,200,000 | \$0 | \$5,200,000 | \$5,200,000 | \$0 | \$5,200,000 |
| Reestimate | <u>197,700</u> | <u>2,927,500</u> | <u>3,125,200</u> | <u>745,700</u> | <u>3,224,600</u> | <u>3,970,300</u> |
| Subtotal | \$5,397,700 | \$2,927,500 | \$8,325,200 | \$5,945,700 | \$3,224,600 | \$9,170,300 |
| State Foster Care | | | | | | |
| Base Funding | \$6,503,700 | \$3,333,800 | \$9,837,500 | \$6,503,700 | \$3,333,800 | \$9,837,500 |
| Reestimate | <u>-2,414,900</u> | <u>-1,183,500</u> | <u>-3,598,400</u> | <u>-2,246,700</u> | <u>-1,095,000</u> | <u>-3,341,700</u> |
| Subtotal | \$4,088,800 | \$2,150,300 | \$6,239,100 | \$4,257,000 | \$2,238,800 | \$6,495,800 |
| State Adoption Services | | | | | | |
| Base Funding | \$2,615,300 | \$1,633,700 | \$4,249,000 | \$2,615,300 | \$1,633,700 | \$4,249,000 |
| Reestimate | <u>1,071,300</u> | <u>425,100</u> | <u>1,496,400</u> | <u>1,285,300</u> | <u>425,100</u> | <u>1,710,400</u> |
| Subtotal | \$3,686,600 | \$2,058,800 | \$5,745,400 | \$3,900,600 | \$2,058,800 | \$5,959,400 |
| Total | | | | | | |
| Base Funding | \$59,102,900 | \$51,779,400 | \$110,882,300 | \$59,102,900 | \$51,779,400 | \$110,882,300 |
| Reestimate | <u>-4,055,700</u> | <u>1,316,000</u> | <u>-2,739,700</u> | <u>-3,119,200</u> | <u>1,708,600</u> | <u>-1,410,600</u> |
| Total | \$55,047,200 | \$53,095,400 | \$108,142,600 | \$55,983,700 | \$53,488,000 | \$109,471,700 |

6. QUALIFIED RESIDENTIAL TREATMENT PROGRAM TRAINING (TITLE IV-E)

| | |
|-----|-----------|
| FED | \$400,000 |
|-----|-----------|

Provide \$200,000 annually to purchase specialized training for qualified residential treatment program (QRTP) staff. Although this program is not expected to be eligible for federal matching funds under Title IV-E, in recent years total IV-E reimbursements have exceeded the total amount of FED funding budgeted for various child welfare programs, yielding a FED balance available to support this and other child welfare programs.

QRTPs are congregate care providers that meet federal qualifications to treat youth with serious mental or behavioral needs. The 2021-23 budget provided \$140,000 GPR and \$60,000 FED (Title IV-E) in 2022-23 on a one-time basis for this purpose.

Recent federal and state law changes created the QRTP designation and restricted reimbursement for out-of-home care placements with the intent of reducing placements in congregate care except for short-term, treatment-focused placements for the highest-acuity children. DCF indicates that these shifts will require more advanced skills from care providers, and the federal law requires QRTPs to implement trauma-informed methods. Using the one-time funding provided in 2022-23, DCF currently provides trainings related to safely reducing the use of restraints, understanding child sex trafficking, effectively responding to trauma, and other skills that make treatment more effective. DCF indicates that other topics that could be pursued with this funding include how psychotropic and other medications affect care and facility safety and management.

7. MENOMINEE TRIBE CHILD PROTECTIVE SERVICES

| | |
|------------|--------------|
| PR | \$1,014,000 |
| GPR-Tribal | -\$1,014,000 |

Provide \$507,000 annually in tribal gaming revenue to support child welfare expenditures of the Menominee Indian Tribe of Wisconsin. Create a PR appropriation in DCF for this purpose and create a corresponding allocation under a Department of Administration (DOA) tribal gaming appropriation. Reduce GPR revenue by corresponding amounts to reflect a reduction in the tribal gaming revenue deposited in the general fund. Specify that any amounts of tribal gaming revenue transferred to DCF under this appropriation that are not expended revert to the DOA tribal gaming appropriation at the end of the fiscal year.

[Act 19 Sections: 111 and 146]

8. TRIPLE P (POSITIVE PARENTING PROGRAM) ONLINE

| | |
|-----|-------------|
| FED | \$4,000,000 |
|-----|-------------|

Provide \$2,000,000 (Title IV-E) annually in one-time funding to Children's Wisconsin for the purpose of making available statewide an online evidence-based parenting program that provides support to parents, reduces childhood behavioral issues, and increases family stability. Specify in statute that DCF shall award these amounts. The Triple P Online program is one such program identified by the federal Title IV-E Prevention Services Clearinghouse of evidence-based child abuse and neglect prevention interventions.

Expenditures for Triple P Online that are attributable to families with children at imminent risk of removal to out-of-home care such as foster care would be eligible for 50% federal matching under the Title IV-E prevention program. The remaining costs would be funded using an accumulated balance of FED funding DCF claimed under Title IV-E.

[Act 19 Section: 9106(1)]

Juvenile Justice

1. YOUTH JUSTICE DATA SYSTEMS [LFB Paper 270]

| | |
|-----|-------------|
| FED | \$2,352,000 |
|-----|-------------|

Provide one-time funding of \$1,176,000 (Title IV-E) in 2023-24 and 2024-25 to fund programming services for 5.0 contracted staff to develop a youth justice case management and reporting system.

2. SRCC BONUS FUNDING FOR QUALIFYING COUNTIES

| | |
|-----|-----------|
| GPR | \$750,000 |
|-----|-----------|

Provide \$750,000 in 2024-25 to fund the estimated bonus payment to Racine County for

operational costs associated with operating a Secure Residential Care Center (SRCC) for Children and Youth. Funding would be provided to the "Community Youth and Family Aids; Bonus for County Facilities" appropriation created under 2017 Act 185.

3. YOUTH AND FAMILY AIDS -- LOCAL GOVERNMENT FUND

| | |
|-------|-------------------|
| GPR | - \$46,652,900 |
| SEG | <u>46,652,900</u> |
| Total | \$0 |

Provide \$46,652,900 SEG in 2024-25 from the local government fund created under 2023 Act 12 for current law youth and family aids and modify existing funding by -\$46,652,900 GPR in 2024-25. This funding would be provided in addition to funding from the existing GPR appropriation for youth and family aids to maintain the current level of funding (\$93,305,700). As under the existing GPR appropriation, allow the Department of Children and Families to transfer money between fiscal years with Joint Committee on Finance approval. Provisions would become effective July 1, 2024.

[Act 19 Sections: 113, 115, 209, 242, 243, 250 thru 254g, 304, 453, and 9406(1)]

Child Support and Departmentwide

1. LOCAL CHILD SUPPORT ENFORCEMENT [LFB Paper 280]

| | |
|-------|-------------------|
| GPR | \$6,083,300 |
| FED | <u>14,558,900</u> |
| Total | \$20,642,200 |

Provide \$5,936,300 (\$1,083,300 GPR and \$4,853,000 FED) in 2023-24 and \$14,705,900 (\$5,000,000 GPR and \$9,705,900 FED) in 2024-25 to increase state support for local administration of the child support enforcement program. The following table shows total estimated payments DCF would make to counties for child support enforcement activities under Act 19.

Estimated Total Payments for Child Support

| Source | Act 19 State Fiscal Year Allocations | | | Act 19 Calendar Year Allocations | | |
|-------------------------------|--------------------------------------|-------------------|-------------------|----------------------------------|-------------------|-------------------|
| | Base | 2023-24 | 2024-25 | 2023 | 2024 | 2025 |
| Local Assistance | | | | | | |
| GPR | \$10,760,000 | \$11,843,300 | \$15,760,000 | \$10,760,000 | \$15,760,000 | \$15,760,000 |
| FED Match on Local Assistance | 20,887,100 | 25,740,100 | 30,593,000 | 20,887,100 | 30,593,000 | 30,593,000 |
| Medical Support | | | | | | |
| GPR | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| FED Match on Medical Support | 582,400 | 582,400 | 582,400 | 582,400 | 582,400 | 582,400 |
| Federal Incentive Payments | <u>13,170,900</u> | <u>13,170,900</u> | <u>13,170,900</u> | <u>13,170,900</u> | <u>13,170,900</u> | <u>13,170,900</u> |
| Total | \$45,700,400 | \$51,636,700 | \$60,406,300 | \$45,700,400 | \$60,406,300 | \$60,406,300 |

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.

The federal funding provided under this item reflects estimates of the additional federal Title IV-D funds the state would claim. 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.

2. CHILD SUPPORT IT MODERNIZATION PROJECT

| | |
|-------|-------------------|
| GPR | \$7,486,800 |
| FED | <u>14,553,100</u> |
| Total | \$22,019,900 |

Provide one-time funding of \$22,019,900 (\$7,486,800 GPR and \$14,533,100 FED) in 2024-25 to support replacing the Kids Information Data System (KIDS) with a modern web-based information technology (IT) system. The federal funding is 66% matching funds DCF claims under Title IV-D of the Social Security Act.

KIDS is a mainframe system made using COBOL programming that was implemented statewide in September, 1996. It is the primary IT system used for child support enforcement case and financial management functions by state, local, and tribal staff. DCF indicates that the aged architecture in KIDS is difficult to maintain and enhance, thereby increasing the complexity and expense of upgrading IT systems to meet federal performance standards. Further, according to DCF, the system is limited in terms of user interface, is unintuitive, lacks access to modern communication methods, and its automated data reporting is insufficient. DCF indicates that the total cost of the IT system, including upgrades, is estimated to be \$270 million for the 12-year period from 2018-19 through 2029-30, including planning, development, statewide implementation, hardware, software, operation, and maintenance.

3. STANDARD BUDGET ADJUSTMENTS [LFB Paper 105]

| | |
|-------|--------------------|
| GPR | - \$2,026,600 |
| FED | - 1,126,700 |
| PR | <u>- 2,151,600</u> |
| Total | - \$5,304,900 |

Reduce funding by \$1,923,300 (-\$1,021,200 GPR, \$211,800 FED, and -\$1,113,900 PR) in 2023-24 and \$3,381,600 (-\$1,005,400 GPR, -\$1,338,500 FED, and -\$1,037,700 PR) in 2024-25 to reflect the following standard budget adjustments: (a) turnover reduction (-\$565,100 GPR, -\$171,100 FED and -\$566,400 PR annually); (b) removal of non-continuing items (-\$508,000 FED and 24.0 FED positions in 2023-24 and -\$2,036,900 FED and 27.0 FED positions in 2024-25); (c) full funding of continuing position salaries and fringe benefits (-\$521,600 GPR, \$813,700 FED, and \$604,700 PR annually); (d) overtime (\$736,900 GPR, \$20,600 FED, and \$4,200 PR annually); (e) night and weekend differential pay (\$129,700 GPR, \$11,300 FED, and \$1,300 PR annually); and (f) full funding of lease and directed moves costs (-\$801,100 GPR, \$45,300 FED, and -\$1,157,700 PR in 2023-24 and -\$785,300 GPR, \$23,900 FED, and -\$1,081,500 in 2024-25); and (g) minor transfers between appropriations (\$0).

These amounts do not include adjustments for administrative costs of the Wisconsin Shares child care subsidy program or the Wisconsin Works (W-2) program (\$816,100 FED and -\$112,200 PR in 2023-24 and \$816,100 FED and -\$97,500 PR in 2024-25), which are included in separate entries under "Economic Support and TANF-Funded Programs."

4. FUNDING AND POSITIONS REALIGNMENTS

Increase funding by \$111,900 (-\$1,000 GPR, \$700 FED, and \$111,900 PR) annually, and provide 1.0 PR position, beginning in 2023-24, to more accurately reflect the current needs and organizational structure of DCF. The net increase of 1.0 position and associated funding shown in this item are offset in a separate item under "Economic Support and TANF-Related Programs."

| | Funding | Positions |
|-------|----------------|-------------|
| GPR | - \$2,000 | 0.00 |
| FED | 1,400 | 0.00 |
| PR | <u>223,800</u> | <u>1.00</u> |
| Total | \$223,200 | 1.00 |

5. PROGRAM REVENUE AND FEDERAL REVENUE REESTIMATES

Provide \$3,621,100 (\$121,100 FED and \$3,500,000 PR) annually to reflect the net effect of adjustments to several program revenue and federal appropriations, as summarized in the following table.

| | |
|-------|------------------|
| FED | \$242,200 |
| PR | <u>7,000,000</u> |
| Total | \$7,242,200 |

Program Revenue and Federal Funding Reestimates

| | Source | Base | 2023-24 | | | 2024-25 | | |
|---------------------------------------|--------|--------------|------------------|-------------|--------------|------------------|-------------|--------------|
| | | | Reestimate | Other Items | Total | Reestimate | Other Items | Total |
| Children and Family Services | | | | | | | | |
| Federal Program Aids | FED | \$12,264,400 | -\$262,600 | \$0 | \$12,001,800 | -\$262,600 | \$0 | \$12,001,800 |
| Federal Project Aids | FED | 3,843,300 | 56,700 | 0 | 3,900,000 | 56,700 | 0 | 3,900,000 |
| Economic Support | | | | | | | | |
| Community Services Block Grant | FED | 8,717,000 | 327,000 | -5,000 | 9,039,000 | 327,000 | -5,200 | 9,038,800 |
| Child Care Worker Background Checks | PR | 0 | 2,000,000 | 0 | 2,000,000 | 2,000,000 | 0 | 2,000,000 |
| Interagency and Intra-Agency Programs | PR | 4,583,800 | -500,000 | -43,700 | 4,040,100 | -500,000 | -40,300 | 4,043,500 |
| General Administration | | | | | | | | |
| Interagency and Intra-Agency Programs | PR | 17,986,400 | 2,000,000 | 0 | 19,986,400 | 2,000,000 | 0 | 19,986,400 |
| Subtotal FED | | | \$121,100 | | | \$121,100 | | |
| Subtotal PR | | | <u>3,500,000</u> | | | <u>3,500,000</u> | | |
| Total | | | \$3,621,100 | | | \$3,621,100 | | |

6. CYBERSECURITY [LFB Paper 282]

Provide \$657,000 (-\$701,700 GPR, \$172,900 FED and \$1,185,800 PR) annually to develop and implement a comprehensive cybersecurity plan for critical infrastructure, data, systems, and user accounts. The plan would include the following areas: (a) proactively managing, monitoring and tracking IT systems; (b) backup and

| | |
|-------|------------------|
| GPR | \$968,200 |
| FED | 345,800 |
| PR | <u>2,420,600</u> |
| Total | \$3,734,600 |

recovery of critical systems and data; (c) strengthening digital data integrity and interoperability; (d) a contracted privacy officer to review data confidentiality; (e) cybersecurity supervision and coordination; and (e) implementation of a single "MyWisconsin" ID and authentication across state IT system.

Because this item uses funding transferred from other DCF appropriations to a program revenue-service appropriation that funds centralized administrative and support services, these costs are "double counted" in the DCF budget (\$1,185,800 PR annually). TANF funding for this item (\$504,300 FED) is reflected under other items in "TANF and Economic Support."

7. VACANT POSITIONS

Delete 2.27 (-0.01 GPR, -1.26 FED, and -1.00 PR) positions, beginning in 2023-24, that have been vacant for 18 months or more.

| Positions | |
|------------------|---------------|
| GPR | - 0.01 |
| FED | - 1.26 |
| PR | <u>- 1.00</u> |
| Total | - 2.27 |