



State of Wisconsin
2017 - 2018 LEGISLATURE

LRB-5420/1
EAW:klm

2017 SENATE BILL 793

February 8, 2018 - Introduced by Senators DARLING, JOHNSON, L. TAYLOR and LARSON, cosponsored by Representatives BORN, RODRIGUEZ, ALLEN, BALLWEG, NOVAK, ROHRKASTE, SPIROS, VANDERMEER, CROWLEY, SUMMERFIELD, KRUG, BERCEAU, C. TAYLOR and SUBECK. Referred to Joint Committee on Finance.

1 **AN ACT to amend** 49.155 (6) (e) 3. d., 49.155 (6) (e) 3. e. and 49.175 (1) (p) of the
2 statutes; **relating to:** child care reimbursement rates in Wisconsin Shares and
3 making an appropriation.

Analysis by the Legislative Reference Bureau

This bill increases the funding available for child care subsidies under Wisconsin Shares across the state and increases the bonus offered for child care subsidies for children enrolled in facilities that receive a four-star or five-star rating under the Department of Children and Families' child care quality rating program.

Under current law, DCF is directed to allocate in each fiscal year specific amounts of money, including federal moneys received under the Temporary Assistance for Needy Families (TANF) block grant program, for various public assistance programs, including for child care subsidies under the Wisconsin Shares program. This bill directs an additional \$8,000,000 of TANF funding in fiscal year 2018-19 to be used to increase child care subsidies under the Wisconsin Shares program across the state. Under the bill, the increase begins on January 1, 2019.

Under current law, DCF can increase the amount of a Wisconsin Shares child care reimbursement rate for five-star rated facilities under DCF's child care quality rating program by up to 25 percent, and for four-star rated facilities by up to 10 percent. This bill increases these bonuses so that DCF can increase the reimbursement rate for five-star rated facilities by up to 30 percent and four-star rated facilities by up to 15 percent beginning on January 1, 2019.

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For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 49.155 (6) (e) 3. d. of the statutes is amended to read:

2 49.155 (6) (e) 3. d. For a child care provider who receives a 4-star rating, the
3 department may increase the maximum payment rate by up to ~~10~~ 15 percent.

4 **SECTION 2.** 49.155 (6) (e) 3. e. of the statutes is amended to read:

5 49.155 (6) (e) 3. e. For a child care provider who receives a 5-star rating, the
6 department may increase the maximum payment rate for such a child care provider
7 by up to ~~25~~ 30 percent.

8 **SECTION 3.** 49.175 (1) (p) of the statutes is amended to read:

9 49.175 (1) (p) *Direct child care services.* For direct child care services under s.
10 49.155, \$289,215,200 in fiscal year 2017-18 and ~~\$310,369,200~~ \$318,369,200 in fiscal
11 year 2018-19.

12 **SECTION 4. Nonstatutory provisions.**

13 (1) From the appropriation under section 20.437 (2) (md) of the statutes, the
14 department of children and families shall expend \$7,250,000 in fiscal year 2018-19
15 to increase the child care payment rates for child care services provided under section
16 49.155 of the statutes. The department shall distribute the additional funds under
17 this subsection as a uniform percentage increase for child care rates in every county.

18 **SECTION 5. Fiscal changes.**

19 (1) CHILD CARE PAYMENT RATES. In the schedule under section 20.005 (3) of the
20 statutes for the appropriation to the department of children and families under
21 section 20.437 (2) (md) of the statutes, the dollar amount for fiscal year 2017-18 is

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1 increased by \$8,000,000 for the purpose of increasing the child care payment rates
2 for child care services provided under section 49.155 of the statutes.

3 **SECTION 6. Effective date.**

4 (1) This act takes effect on January 1, 2019.

5 (END)