**Jim Doyle** Governor

Roberta Gassman Secretary



#### OFFICE OF THE SECRETARY

201 East Washington Avenue P.O. Box 7946 Madison, WI 53707-7946 Telephone: (608) 266-7552

Fax: (608) 266-1784 http://www.dwd.state.wi.us/

# State of Wisconsin Department of Workforce Development

#### **Report From Agency**

#### Rule Analysis for Legislative Review

Proposed Rules Relating to Child Care Rates Chapter DWD 56 CR 007-030

#### **Basis and Purpose of the Proposed Rules**

The rule provides that the reimbursement rates paid to child care providers by the Wisconsin Shares child care subsidy program will not be adjusted for the year beginning January 1, 2007, and the rates effective on December 31, 2006, will remain in effect. This policy was implemented in January as an emergency rule when the estimated fiscal year deficit for the program was \$46 million. Moving into state fiscal year 2008, the Department continues to be challenged with potential deficit issues for the child care program.

#### **Public Hearing Summary**

A public hearing was held on May 7, 2007. A summary of the hearing comments and the Department's responses is attached.

#### Response to Legislative Council Staff Recommendations

The Department's responses are attached.

#### Changes to Analysis Prepared under s. 227.14 (2), Stats.

The "Factual Data and Analytical Methodologies" section was updated and a reference to the Department's more detailed analysis on the effect of the rule on small businesses was added.

## Final Regulatory Flexibility Analysis and Response to Small Business Regulatory Review Board

The Department's analysis found that the proposed rule would not have a significant impact on a substantial number of small businesses. The Small Business Regulatory Review Board (SBRRB) directed the Department to provide more detail on the analytical approach and methodologies used in making this determination. The Department submitted a more detailed analysis of the Department's analytical approach to the SBRRB and this analysis was acknowledged by the Board on July 19, 2007.

### **Department Contacts**

Laura Saterfield Section Chief Child Care Section 266-3343 Elaine Pridgen Administrative Rules Coordinator Office of Legal Counsel 267-9403