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## **Rule Report for Legislative Review**

### **Incentive Program for Local Agencies That Identify Child Care Subsidy Fraud Committed by Child Care Providers**

#### **Chapter DCF 201 CR14-030**

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

The proposed rule implements s. 49.197 (2), Stats., as affected by 2011 Wisconsin Act 32.

#### **Public Hearing Summary**

The department held a public hearing in Madison on May 7, 2014. A summary of the comments received and the department's response is attached.

#### **Response to Legislative Council Staff Recommendations**

All comments were accepted or rendered moot by revisions, except comment 5.b. The suggested change is unnecessary. For a local agency to earn an incentive payment, all of the items in s. DCF 201.41 (2) must apply. After the review under s. DCF 201.41 (2) (e) upholding the determination that the provider committed fraud, that provider would no longer be eligible to care for children whose care is subsidized under s. 49.155, Stats. An agency would not identify fraud by the same provider more than once.

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

To correspond with the department's plan as approved by the Joint Committee on Finance, an additional provision was added to the list of ways that a local agency that has earned an incentive payment may request that the department distribute the funds. The additional provision is "any purpose for which funds under the Temporary Assistance for Needy Families program may be used under 42 USC 601 *et seq* if the federal administration for children and families approves an amendment to the state plan under 42 USC 602 that allows that purpose."

#### **Final Regulatory Flexibility Analysis**

The proposed rule does not affect small businesses.

## **Department Contacts**

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