

## ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

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1. Type of Estimate and Analysis

Original    Updated    Corrected

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2. Administrative Rule Chapter, Title and Number

DCF 201, Administration of Child Care Funds

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3. Subject

Incentive Program for Local Agencies that Identify Child Care Subsidy Fraud Committed by Child Care Providers

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4. Fund Sources Affected

GPR    FED    PRO    PRS    SEG    SEG-S

5. Chapter 20, Stats. Appropriations Affected

Section 20.437 (2) (md), Stats.

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6. Fiscal Effect of Implementing the Rule

No Fiscal Effect    Increase Existing Revenues    Increase Costs  
 Indeterminate    Decrease Existing Revenues    Could Absorb Within Agency's Budget  
 Decrease Cost

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7. The Rule Will Impact the Following (Check All That Apply)

State's Economy    Specific Businesses/Sectors  
 Local Government Units    Public Utility Rate Payers  
 Small Businesses (if checked, complete Attachment A)

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8. Would Implementation and Compliance Costs Be Greater Than \$20 million?

Yes    No

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9. Policy Problem Addressed by the Rule

The rule provides the procedures for implementing s. 49.197 (2), Stats.

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10. Summary of the businesses, business sectors, associations representing business, local governmental units, and individuals that may be affected by the proposed rule that were contacted for comments.

The department solicited comments from the Wisconsin County Human Service Association, the Wisconsin Association on Public Assistance Fraud, and local agencies that administer the child care subsidy program under s. 49.155, Stats.

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11. Identify the local governmental units that participated in the development of this EIA.

Rock County

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12. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

Local agencies that administer the child care subsidy program may increase their revenue if they earn an incentive under the rule. Section 49.197 (2) (b) 1., Stats., directs the department to fund the incentive program from the allocation for direct child care services under s. 49.175 (1) (p), Stats.

Rock County contracts with a private investigator to conduct its child care provider fraud investigations. They asked whether the county or the private investigator would be eligible to receive the incentive payments. The department would make the payment to the local agency. The allowable uses for the funds are in the proposed s. DCF 201.03 (6) (d).

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13. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

Section 49.197 (2) (b) 1., Stats., directs the department to promulgate this rule.

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14. Long Range Implications of Implementing the Rule

None

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15. Compare With Approaches Being Used by Federal Government

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NA

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16. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

The department is not aware of rules governing an incentive program for local agencies that identify child care subsidy fraud committed by providers in any of the adjacent states.

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17. Contact Name

Erik Hayko

18. Contact Phone Number

(608) 266-9045

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**ATTACHMENT A**

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1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

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2. Summary of the data sources used to measure the Rule's impact on Small Businesses

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3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

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4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

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5. Describe the Rule's Enforcement Provisions

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6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes     No
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