

## 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

Payments under the child care subsidy program

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4. Fund Sources Affected

GPR    FED    PRO    PRS    SEG    SEG-S

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5. Chapter 20, Stats. Appropriations Affected

20.437(2)(mc) and (2)(md)

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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 new system for issuing subsidy payments has made many of the policies and procedures in the current rule obsolete.

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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 Services Association, Wisconsin Council on Children and Families, Legal Action of Wisconsin, Wisconsin Early Childhood Association, Supporting Families Together Association, Wisconsin Afterschool Network, Wisconsin Child Care Administrators Association, Wisconsin Family Child Care Association, and Wisconsin Inter-Tribal Child Care Association.

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

No comments were received.

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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)

The rule repeals the requirement that providers submit attendance records and request reimbursement after the care is provided. The EBT card payment system allows parents who receive a subsidy to pay the provider on the same schedule as private pay parents.

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

The rule provides legal authority for the definitions, standards, policies, and procedures related to the new system for issuing child care subsidy payments.

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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

42 USC 9858c (c) (2) (S) requires that the payment practices of child care providers that serve children who receive assistance reflect generally accepted payment practices of child care providers that serve children who do not receive

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assistance, so as to provide stability of funding and encourage more child care providers to serve children who receive assistance.

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

In the adjacent states, child care providers generally receive subsidy payments directly from the state after providing child care and submitting attendance report forms to the department.

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17. Contact Name

18. Contact Phone Number

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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)

Child care providers that care for children whose care is subsidized will no longer need to submit attendance reports and request reimbursement after care is provided.

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

NA

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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:

NA

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

NA

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5. Describe the Rule's Enforcement Provisions

NA

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

- Yes    No
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