

State of Misconsin 2023 - 2024 LEGISLATURE

LRB-5992/1 EAW:cdc

## **2023 SENATE BILL 1096**

March 27, 2024 - Introduced by Senator LARSON, cosponsored by Representative STUBBS. Referred to Committee on Government Operations.

AN ACT to create 15.207 (20), 48.47 (20) and 48.6595 of the statutes; relating

to: creation of the council on child care availability and reporting on the cost of

child care.

### Analysis by the Legislative Reference Bureau

This bill creates a council on child care availability, to be housed in the Department of Children and Families. The council is charged with studying various issues related to the establishment of a free and universal child care system within the state and with making an annual report to the legislature and governor with recommendations for how to establish and pay for the free and universal child care system.

Under the bill, DCF is required to create a biennial report detailing the actual cost of child care, broken out by the type of care provided and compared to the child care rates established by DCF under current law.

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:

**SECTION 1.** 15.207 (20) of the statutes is created to read:

15.207 (**20**) COUNCIL ON CHILD CARE AVAILABILITY. There is created in the department of children and families a council on child care availability. The council shall consist of the following members:

(a) The secretary of children and families and the secretary of workforce development, or their designees, and a representative from the office of the governor who shall serve as cochairpersons of the council.

(b) Three individuals appointed by the speaker of the assembly, at least one of whom is a parent who has participated in the Wisconsin Shares program.

(c) Three individuals appointed by the assembly minority leader, at least one of whom is a parent who has participated in the Wisconsin Shares program.

(d) Three individuals appointed by the president of the senate, at least one of whom is a parent who has participated in the Wisconsin Shares program.

(e) Three individuals appointed by the senate minority leader, at least one of whom is a parent who has participated in the Wisconsin Shares program.

(f) Two representatives of a child care resource and referral agency.

(g) Two representatives of home-based child care providers.

(h) Two representatives of center-based child care providers.

(i) Two representatives from the business community.

(j) Two representatives from unions that represent child care providers.

(k) At least one representative from each of the following entities:

1. The department of children and families.

2. The department of revenue.

3. The Wisconsin Economic Development Corporation.

4. The University of Wisconsin System.

5. The technical college system.

6. The department of public instruction.

7. A county social services agency or an entity that advocates on behalf of social services or county governments.

8. A nonprofit child care advocacy organization.

**SECTION 2.** 48.47 (20) of the statutes is created to read:

48.47 (20) REPORT ON THE COST OF CHILD CARE. Biennially, prepare a report detailing the actual cost providers incur when providing child care. The department shall report its findings and recommendations to the governor and to the appropriate standing committees of the legislature under s. 13.172 (3) no later than July 1, 2024 and by July 1 of each even-numbered year thereafter, and shall post the report on its publicly available website. The report shall include:

(a) Detailed cost data for each setting, age group, care provided to children with special needs, and any other grouping for which a separate cost estimation is appropriate.

(b) The level of quality care available for each setting, as determined by the quality rating system under s. 48.659.

(c) A description of the major cost drivers for providing care.

(d) A comparison of the costs of child care for each grouping to the child care rates established under s. 49.155 (6).

**SECTION 3.** 48.6595 of the statutes is created to read:

**48.6595** Council on child care availability. (1) The council on child care availability shall advise the state in developing a system of free and universal child care using existing state and federal resources and shall make recommendations based on its study of all of the following:

(a) How to implement a universal child care system that is free at the point of service for all families and that delivers high-quality child care to all residents of this state, with a 4-year phase-in, taking into account the following priorities and principles:

1. Expansions of subsidized care are targeted to first cover low-income families, historically underserved communities, and families facing complex needs, including children with disabilities and child welfare involvement.

2. Work requirements, activities tests, and immigration status requirements for low-income families are all eliminated.

3. The phase-in takes all reasonable steps to avoid benefit cliffs.

4. Reasonable steps are taken to guard against increases in costs for middleincome families.

5. Roll-out of universal child care is coordinated with expansions of universal preschool programs so that such programs do not cause unintentional harm to child care providers.

(b) How to eliminate the barriers that eligible families face in obtaining or utilizing child care subsidies.

(c) How to ensure the availability of child care for nontraditional work hours,

and identification of the funding that would be needed to expand facilities that cover nontraditional work hours.

(d) Whether parents are voluntarily leaving the workforce due to lack of child care, and the demographic information of such parents, if known.

(e) Whether employers have identified a lack of child care as a reason for a shortage of a qualified workforce.

(f) The impact of child care, or lack thereof, on economic development throughout the state.

(g) Availability of quality child care by region, including identification of underserved communities and recommendations for making available free, highquality child care in such communities.

(h) Whether regulatory or statutory changes could promote free and universal access to high-quality child care and improve health and safety standards in child care programs.

(i) Incentives to institutions that offer child care to increase universal and free child care.

(j) The existence of unlicensed or unregulated child care providers, the labor conditions of employees at such facilities, and regulatory recommendations for approaching such providers.

(k) Disparities in the quality of child care provided to families of different economic backgrounds, different geographic regions, and the funding needed to provide high-quality child care for all.

(L) The factors contributing to the success of expanding universal preschool

programs in the state and the potential unintended consequences impacting child care providers, particularly family-based providers.

(m) The availability of a searchable database of child care providers, and recommendations for improvement of the database.

(n) The availability of funds for child care infrastructure development.

(o) The creation of an office of early education within the department.

(p) Ways to address concerns identified by the council.

(q) Anything else the council deems necessary.

(2) Beginning 2 years after the effective date of this subsection .... [LRB inserts date], the council shall report its findings and recommendations annually to the governor and to the appropriate standing committees of the legislature under s. 13.172 (3). The council shall include the following in its report:

(a) Specific recommendations to develop and implement a free and universal child care system with a 4-year phase-in.

(b) Recommendations for budget allocations to fund the free and universal child care system, including wage increases for child care workers that allow them to achieve pay parity with public school teachers, capital expenditures to allow for the expansion of child care infrastructure into communities most in need, and startup funds to allow for the creation of new child care programs in child care deserts.

(c) Recommendations for maximizing the allocation of federal funds, as well as supplemental funding from the state that would allow for a free and universal child care system.

(d) Recommendations for the integration of child care programs into existing public programs, such as public schools, public universities, and public housing, to deliver high-quality child care to all residents.

(3) Each year, the taskforce shall provide a score card stating how close the state is to achieving a high-quality universal child care system. Council members who are members of the legislature or who are employees of the governor's office or the legislature shall recuse themselves from the rating process.

(END)