



Proposals to Support Children and their Families during COVID-19

Overview:

The Department of Children and Families (DCF) runs several programs that provide essential support for our workforce and families. During the COVID-19 crisis, we want to provide continuity of child care and services for vulnerable families affected by the health crisis, whether that is through illness, unemployment, needing care for children due to school closure or work conditions, or loss of employment. The department's touch to child care, child welfare, and work assistance programs positions us to provide a broad range of services to help Wisconsin during this crisis. DCF's proposal is designed to support children, their families, our communities, and our essential workforce by:

- allocating \$100 million TANF for a temporary expansion of the Wisconsin Works (W-2), Wisconsin Shares Child Care, Emergency Assistance and Job Access Loan program;
- launching a new child care grant program to fund hazard pay for early childhood educators, cover the cost of care for essential workforce families, and relief for closed child care centers.
- establishing a congregate care facility grant program to address child welfare essential workforce shortages;
- increasing support for programs for runaway, homeless, and older youth; and
- creating a new program that would provide short-term financial assistance to eligible individuals to cover housing, transportation and other essential costs.

General: Funding for local programs

Governor Evers' legislative package includes critical funds to support local communities and tribes, including \$20M for emergency assistance and a 1% increase for county and municipal aids. These additional funds will be used to support locally administered programs, like child welfare services.

Provide \$20M in GPR for local government emergency assistance to counties, tribes, and municipalities to cover extraordinary otherwise unreimbursed operational costs related to protecting and improving public health during the COVID-19 pandemic.

Increase County and Municipal Aids by 1% (approximately \$7.5M GPR) in 2020 to support the additional costs associated with responding to the COVID-19 public health emergency's associated challenges.

\$100M TANF to expand family support programs

The department requests a re-allocation of \$100M federal CCDF and TANF to expand Wisconsin Shares, Wisconsin Works (W-2), job access loans, and emergency assistance programs to help individuals affected by the pandemic. This would also allow DCF to incur additional IT and staffing expenses to rapidly expand these programs. This is a prudent and necessary way to use the department's existing TANF surplus, while continuing to maintain significant TANF reserves for future use.

Expand WI Shares eligibility to include any family that needs child care due to the pandemic.

Rationale: Expanding Shares eligibility will allow eligible essential workforce families or families affected by illness or school closures to receive an emergency authorization for the Wisconsin Shares Child Care subsidy, increasing the affordability of child care and allowing parents to keep working during this crisis.

Background: DCF administers the Wisconsin Shares child care subsidy program. The bill requires DCF to submit to the federal government any request for federal approval necessary to expand eligibility for Wisconsin Shares to individuals who need child care services due to the pandemic, and expands such eligibility to the extent authorized by that federal approval during the public health emergency.

NOTE: If DCF receives federal approval, DCF shall expand eligibility. If DCF does not receive federal approval, DCF cannot expand eligibility.

Expand the Job Access Loan program by authorizing DCF to provide loans of up to \$1,600 to individuals facing an immediate and discrete financial crisis due to COVID-19.

Rationale: Targeted loans will help individuals facing an immediate and discrete financial crisis to meet that need and move towards employment.

Background: The job access loan program is administered by W-2 agencies.

Current eligibility: Job access loans are short-term interest-free loans of up to \$1,600 intended to meet immediate and discrete expenses that are related to obtaining or maintaining employment for individuals that meet the following W-2 eligibility criteria: the individual has a gross income at or below 115% of the federal

poverty line, the individual is not in default on a previous job access loan, and the individual is not a migrant worker.

Proposed expanded eligibility: Under this bill, an individual would qualify for a job access loan if the individual is a member of a W-2 group that has a combined gross income at or below 200% of the federal poverty line, the individual is a custodial or a noncustodial parent, and the individual meets the other eligibility criteria for job access loans under current law. Under the bill, a job access loan provides up to \$1,600 to the qualifying individual and suspends repayment of all job access loans.

Expand the Wisconsin Works (W-2) program to provide \$653 per month to an individual who is facing an immediate and discrete financial crisis due to COVID-19.

Rationale: Ensures that Wisconsin assists individuals who want to work but cannot due to the COVID-19 pandemic. Individuals may be eligible for assistance under the W-2 program even if they aren't eligible for things like unemployment benefits.

Background: DCF administers the W-2 program, which provides employment assistance to low-income parents with a dependent child(ren).

Current eligibility: Under current law, an individual must meet certain requirements in order to be eligible for W-2 assistance, including that the individual is part of a W-2 group with a gross income at or below 115 percent of the federal poverty line, with certain asset restrictions.

Proposed expanded eligibility: The bill expands W-2 program eligibility during the public health emergency. Under the bill, an individual is eligible for a cash benefit payment of \$653 during the public health emergency if the individual's W-2 group has an income at or below 200 percent of the federal poverty line and the individual's place of employment closes, the individual is furloughed or laid off, or the individual misses work due to a lack of available child care as a result of the pandemic. Certain exemptions to W-2 eligibility criteria apply, such as exemptions from asset restrictions, job search requirements, and time limits.

Expand the Emergency Assistance program by authorizing DCF to provide payments of up to \$1,200 to an individual who suffers a loss of income due to COVID-19 pandemic.

Rationale: The emergency assistance program will help Wisconsinites experiencing loss of income to cover expenses or other emergency needs during this public health crisis, including individuals between 18-24 years old and who are not parents or caretaker relatives but may still have emergency needs.

Background: This bill proposes expanding the emergency assistance program to include individuals who suffer a loss of income as a result of the pandemic. Under the bill, an adult parent, a caretaker of a child, or an individual who is 18 to 24 years old qualifies for the expanded emergency assistance payment if the individual is part of an emergency assistance group with a combined gross income at or below 200 percent of the federal poverty line and are experiencing a financial crisis because of the pandemic.

Additional provisions: This bill allows DCF to establish a streamlined eligibility verification process to administer the expanded EA program. Eligible individuals will

only qualify for an expanded EA payment once in a 12-month period; however, previous receipt of a regular EA payment will not preclude an individual from being eligible for the expanded program. In addition, individuals that receive an expanded EA payment may still be eligible for a regular EA payment within the same 12-month period if they have not already received a regular EA payment in the 12 months prior to application.

Create a short-term financial assistance program to provide short-term financial assistance to eligible families up to four months for essential needs.

Rationale: This program would help vulnerable families maintain stability during the COVID-19 public health emergency by providing cash payments for essential needs.

Background: This bill would allow DCF to create a short-term financial assistance program that provides cash payments to eligible individuals to cover the costs associated with housing, transportation, and other essential needs during the public health emergency. Under the bill, an eligible individual is not receiving a W-2 benefit at the time of application and is:

- a custodial or noncustodial parent;
- a citizen or qualifying alien,
- a resident of Wisconsin; and
- has qualified for any type of public assistance within the 12 months prior to the date of application.

\$25M GPR for Child Care Grant Programs

The Department requests \$25M in GPR funding to create three new grant programs to support the critical need of child care for essential workforce families.

Create a grant program to provide hazard pay to child care providers by providing monthly grants to certified child care providers, licensed child care centers, and child care providers contracted by or established by a school board to provide hazard pay to employees who work during the public health emergency. All providers would be eligible regardless of whether they are providing care to families eligible for Wisconsin Shares.

Rationale: Child care providers who remain open to serve health care and essential workers do so at a risk to themselves and their business. Child care providers will not be able to serve families without increased resources, and child care centers need to continue to operate to provide this critical service for Wisconsin's essential workforce families.

Create a grant program for employers and contracting entities of essential workforce to pay for child care costs of essential workforce families:

Rationale: In order for healthcare and essential workers to continue to work, they need safe, quality child care for their children. Child care centers are struggling with funds to keep their businesses open, essential workforce families are unable to afford child care, and businesses (including hospitals) have identified access to child care as a key factor in preventing essential employees from continuing to or returning to work. This grant program, with criteria established by the Department, will help cover this variety of costs.

Background: Under the bill, “essential workforce” means employees, contractors, and other staff working in vital areas including health care; child welfare; long-term care; residential care; pharmacies; child care; government operations; critical infrastructure, such as sanitation, transportation, utilities, telecommunications, grocery, and food services; supply chain operations; and other sectors as determined by DCF. Eligible child care costs include the cost to establish a temporary child care facility for children of essential workforce and the cost to pay for a slot in an existing child care facility. Under the bill, DCF must prioritize grants that assist health care workers and first responders, but may at its discretion award grants that assist other essential workforce members.

Create a grant program to support child care providers who have closed due to COVID19:

Rationale: As of March 31, 2020, roughly 40% of child care centers across the state have closed due to COVID-19. This grant funding will help ensure that child care programs will be available for families after the pandemic.

Background: Under the bill, DCF would provide grants to certified child care providers, licensed child care centers, and child care providers contracted by or established by a school board that ceased operating because of the pandemic during the public health emergency. These grants would only cover lost revenue for services that would have been provided to families not eligible for Wisconsin Shares, and only if these families were not charged during the public health emergency.

\$3.2M re-allocation for child welfare expenses

The department requests a re-allocation of \$3.2M in existing appropriations for COVID-19 pandemic-related child welfare expenses to establish a congregate care facility grant program and support programs serving older youth.

Create a \$3M fund for congregate care facilities to address workforce shortages to keep the facilities operational:

Rationale: Congregate care facilities (group homes, residential care centers) will need additional funding for supplies, technology for non-face-to-face visits and education, and additional workforce demands. To reduce the potential administrative burden while accommodating these increased financial pressures, DCF would create a pool of funding to reimburse facilities for their extra expenditures.

Provide a 10% increase (\$209,500) to current contracts for programs serving older youth:

Rationale: Older youth, whether they are runaways, homeless, or in independent living, are vulnerable to spreading COVID-19. With increased funding, DCF can assist with providing services to this population and contain the spread of COVID-19.

Background: Under current law, DCF provides funding to Transition Resource Agencies, Tribal Independent Living Program, and runaway and homeless programs. Annual funding for these programs is \$3.1 million.

Statutory changes to promote public health, increase local capacity, and provide increased local flexibility during the public health emergency

The department requests the following statutory changes for child welfare and child care programs to allow for flexibility to maximize available placements, to address workforce shortages during this crisis, in administering these programs to ensure they can continue to function effectively during the COVID-19 pandemic

Allow for procedural flexibility to child welfare functions by suspending certain Children's Code and Juvenile Justice Code requirements during the public health emergency.

Rationale: Child welfare and juvenile justice functions may need flexibility as they continue to operate during the COVID-19 pandemic. Certain statutory provisions will be difficult to meet during this time and providing flexibility in administering these programs will ensure they can continue to function effectively in an unprecedented situation.

The bill also proposes to allow:

- An extension to the amount of time children can be placed in licensed public or private shelter care facility as transitional placement in emergency situations from 20 days to 40 days;
- Foster homes to receive more than 4 children;
- Group homes to accept up to 10 children rather than 8;
- DCF to extend foster home licenses beyond two years;
- DCF to waive certain requirements for the continuation of a license for a child placing agency, group home, or shelter care facility;
- Public licensing agencies to license foster homes in other counties;
- DCF to perform certain child welfare services on behalf of a county; and
- DCF to waive the in-person six-hour training requirement for proposed adoptive parents.

Waive requirements for licensed child care providers to extend their license beyond a two-year period:

Rationale: Removes additional hurdles for child care providers to stay open during this critical time to serve essential workforce families.

The bill proposes to allow:

DCF to waive certain requirements for the continuation of a license for a child, child care center, group home, or shelter care facility;

Direct that statutory provisions invoked due to the public health emergency be restored as soon as the emergency ends:

Rationale: This proactive measure will allow the state and programs to transition smoothly from a state of public emergency, without needing to request future statutory changes.