



**Governor's Budget Recommendations  
Summary  
2021 – 2023 Biennium  
February 19, 2021**

**DEPARTMENT OF CHILDREN AND FAMILIES  
2021-2023 Governor's Recommendations**

- In total, the Governor recommends providing \$162,165,100 [\$111,390,100 GPR, \$53,527,000 FED, and \$377,500 PR-S with a decrease of \$-3,129,500 PR] in SFY22 and an increase of \$159,824,100 [\$135,484,300 GPR, \$22,091,800 FED, \$377,500 PR-S, and \$5,000,000 SEG with a decrease of \$-3,129,500 PR] in SFY23.
- Represents a 25.4% GPR increase in the biennium over the base year doubled and an overall biennial all funds increase of 11.4% over the base year doubled

**Department-Wide**

**Standard Budget Adjustments**

- Provides a decrease of -\$316,100 [\$393,300 GPR, -\$1,272,800 FED, \$165,800 PR and \$397,600 PR-S] and -1.75 FTE in SFY22 and -\$331,600 [\$393,300 GPR, -\$1,288,300 FED, \$165,800 PR and \$397,600 PR-S] and -1.75 FTE in SFY23 to fund standard budget adjustments, including full funding of salary and fringe, turnover, overtime, night and weekend differential, and full funding of lease and directed moves.

**Program Revenue Re-Estimates**

- Recommends an increase of \$5,213,600 [\$5,233,700 FED, and -\$20,100 PR-S] in SFY22 and an increase of \$5,213,600 [\$5,233,700 FED, -\$20,100 PR-S] in SFY23 to reflect estimates of federal and program revenue funding levels.

**Child Welfare**

**Children and Family Aids**

- Recommends an increase of \$5,000,000 GPR in SFY22 and \$10,000,000 GPR in SFY23 for Children and Family Aids. The Governor recommends increasing CFA by \$10,000,000 beginning in calendar year 2022. The total CFA amount for SFY22 is \$106,389,600 and \$111,868,900 for SFY23 and includes a portion of the Foster Care Rate Increase and Re-estimate amounts below.

**Foster Care Rate Increase and Re-estimate**

- Recommends a total increase of \$365,400 (\$241,900 GPR and \$123,500 FED) in SFY22 and \$1,083,100 (\$717,000 GPR and \$366,100 FED) for SFY23. The Governor recommends increasing the age-based rates for foster care levels two and above by 2.5 percent in each calendar year and provides a monthly rate increase to foster care level one to \$300 beginning in calendar year 2022.

### **Kinship Care**

- Provides costs to continue funding, as well as a monthly rate increase to \$300 (18% increase), consistent with the proposed increase for foster care level 1 rates. Along with anticipated caseload growth in the program, this results in an increase of \$567,900 in Temporary Assistance for Needy Families (TANF) block grant funding in SFY22 and \$3,282,600 in TANF funding in SFY23.
- Kinship Care funding total funding amounts to \$28,727,100 in SFY22 and \$31,441,800 in SFY23.

### **State Foster Care & Adoption Assistance**

- Recommends a total increase of \$504,200 (\$948,000 decrease in GPR and an increase of \$1,452,200 FED) in SFY22 and a total increase of \$3,176,200 (\$528,900 GPR and \$2,647,300 FED) in SFY23 to re-estimate Adoption Assistance and State Foster Care. Funding for Adoption Assistance and State Foster Care programs needs to be adjusted to reflect current expenditures and changes in federal claiming rates.

### **Sibling Connection Programs**

- Recommends creating a new grant program to provide siblings separated in out-of-home care with opportunities to be reunited, such as at summer camps, and provides \$75,000 GPR in both SFY22 and SFY23.

### **Foster Care Youth Drivers Program**

- Recommends the creation of a program that will help youth in foster care be able to drive by covering the cost of driver education classes and license cost by providing \$89,700 GPR in SFY22 and \$202,800 GPR in SFY23.

### **QRTP Congregate Care Nursing Services and Certification**

- Recommends \$377,800 GPR in SFY23 to support ongoing costs of centralized nursing services for congregate care facilities to comply with the federal Family First Prevention Services Act. Nursing services would be telephone or telehealth services for children placed in congregate care facilities throughout the state 24 hours a day, 7 days a week.

### **Milwaukee QRTP Facility**

- Provides \$1,300,000 GPR in FY23 for a Qualified Residential Treatment program facility in Milwaukee County to care for youth in out-of-home care who require special treatment and who might otherwise need to be treated out of the state.

### **Congregate Care Provider Training**

- Recommends \$140,000 GPR and \$60,000 FED in SFY23 for ongoing costs to contract for or purchase training for congregate care providers related to the care and well-being of children and youth in congregate care settings to achieve accreditation under the federal Family First Prevention Services Act.

### **Child Welfare New Worker Training**

- Provides \$1,000,000 FED in SFY22 and \$500,000 FED in SFY23 in funding to design and support a new training program for child welfare workers to improve preparedness and reduce the amount of time that workers are trained

### **In-home Service Intervention Shift**

- Provides \$12,342,700 annually (\$8,613,400 GPR and \$3,729,300 IV-E FED) to implement a new statewide in-home services intervention program that will invest in services that will reduce the need for child welfare services. This investment is consistent with the philosophical shift toward prevention services in child welfare under the federal Family First Prevention Services Act.
- Removed 2.0 FTE from the Agency Request and, instead, recommends reallocating 2.0 FTE positions to develop and implement the new prevention services program.

### **Home Visiting Milwaukee County**

- Increases s. 49.175(1)(u) Prevention Services by \$500,000 TANF in each year to fund a home visiting Nurse Family Partnership model in Milwaukee County

### **Independent Living Expansion**

- Request an increase of \$293,000 GPR in SFY22 and \$543,400 GPR in SFY23 to expand eligibility to youth who have been in a qualifying court-ordered placement for at least six months after age 16 and who are not adopted or entering guardianship, as well as increase the maximum age for services to 23. The funding for this is in the same appropriation as the consolidated youth services grants as proposed in the Governor's Recommendation.

### **Youth Aids for Serious Juvenile Offender Eliminations**

- Request an increase of \$5,327,500 GPR in SFY22 and \$13,529,700 GPR in SFY23 to increase Youth Aids funding to counties. This is to compensate counties for the Department of Corrections ending the Serious Juvenile Offender program. Create s. 48.526(7)(d) which adds to Youth Aids \$2,663,800 in the first six months of CY21, \$9,428,600 in CY22, and \$6,764,900 for the first six months of CY23.

### **Juvenile Court Jurisdiction**

- Request the creation of a new sum-sufficient appropriation to reimburse counties for the costs associated with responsibility for 17-year-old youth. This results from raising the age that a circuit court or municipal court exercises adult court jurisdiction on individuals from 17 years of age to 18 years of age. Funding is recommended at \$10,000,000 in SFY22 and SFY23.

### **Youth Justice Investment and Modifications**

- Request an increase of \$417,000 GPR in SFY22 and \$11,087,200 GPR in SFY23. Also request 3.0 FTE (GPR) in SFY22 and SFY23.
- These funds are to support system improvements related to 2017 Act 185 including community-based grants, residential services grants, expansion of training for youth justice, and three state staff to administer the programs. Statutory modifications are also included in this item to streamline and simplify the Youth Aids statues which provides greater flexibility in allocating funding and achieving program goals per 48.526(1).

### **Bureau of Youth Services Modification**

- This item consolidates GPR funding and program statutes for Runaway and Homeless Youth, grants for children's community programs, services for victims of sex trafficking, and Brighter Futures Initiative into a single youth services program and appropriation.
- This also allows the \$500,000 TANF for evidence-based substance abuse prevention to be used for grants for youth services.
- The SABG MOE (PR-S) transfer from DHS is renamed as grants for youth services; this does not change the requirements for uses of the funds.
- There is no net change in GPR, TANF, or PR-S.

### **Expansion of Wendy's Wonderful Kids Program**

- Provides a total of \$300,000 (\$185,700 GPR and \$114,300 FED) in both SFY22 and SFY23 in order to expand adoption recruitment in Milwaukee County.

### **DMCPS Aids Expenditures**

- Recommends an increase of \$49,100 [\$3,003,700 GPR, -\$91,200 FED, and -\$2,863,400 PR] in SFY22 and \$1,025,800 [\$4,036,600 GPR, -147,400 FED, and -2,863,400 PR] in SFY23 to reflect projected changes in caseloads, expenditures, and federal claiming rates for out-of-home care placements, wraparound, aids contracts for the Division of Milwaukee Child Protective Services (DMCPS), including ongoing case management contracts, independent investigations, permanency plan reviews, district attorney, and other contract adjustments.
- OBP is working with SBO and LFB to adjust funding to account for increased wraparound costs.

### **Milwaukee Child Welfare Assessment Positions**

- Recommends a total of \$181,900 (\$167,400 GPR and \$14,500 FED) in SFY22 and \$242,400 (\$223,000 GPR and \$19,400 FED) in SFY23 for 4.0 FTE (3.68 GPR and .32 FED) for additional Initial Assessment Specialists.

### **Child Care**

#### **Wisconsin Shares Direct Services**

- Recommends a decrease of -\$54,463,800 FED in SFY22 and SFY23. This includes a transfer of budget authority out of Direct Services allocation to fund the Child Care Strong program [-\$23,637,000 FED in SFY22 and SFY23] as well as a re-estimate of Wisconsin Shares base subsidies to reflect historical underspending [-\$35,059,200 FED in SFY22 and SFY23]. It also reflects increased amounts for costs related to deducting child support payments for Wisconsin Shares income calculations [\$1,332,400 FED in SFY22 and SFY23], disregarding a portion of income for direct care workers applying for Wisconsin Shares [\$600,000 FED in SFY22 and SFY23], and transferring microgrant funding from the Quality Care for Quality Kids allocation [\$2,300,000 FED in SFY22 and SFY23]

### Wisconsin Shares Quality Care for Quality Kids

- Recommends an increase of \$17,164,200 FED in SFY22 and \$17,801,000 FED in SFY23, which includes an increase to the REWARD program [\$500,000 FED in SFY22 and SFY23], transferring a portion of funding from the Direct Services allocation to fund the Child Care Strong program [\$17,637,000 FED in SFY22 and SFY23], transferring microgrants funding to the Direct Services allocation [-\$2,300,000 FED in SFY22 and SFY23] and increased support for Social Emotional Learning [\$1,327,000 FED in SFY22 and \$1,964,000 FED in SFY23]

### Wisconsin Shares Administration

- Recommends an increase of \$248,700 FED in SFY22 and a decrease of -\$446,600 FED in SFY23, which includes LTE staff funding for authorization services and associated systems changes in Milwaukee county, systems changes for deducting child support payments from Wisconsin Shares income calculations, and standard budget adjustments

### Child Care Strong Initiative

- Recommends \$53,016,400 GPR in SFY22 and SFY23 for the Child Care Strong Initiative. This includes \$47,016,400 GPR for quality initiatives and \$6,000,000 GPR to replace currently federally funded (CCDF) YoungStar expenditures. The remaining portion of existing YoungStar expenditure funding (\$17,637,000 FED) is transferred to the s. 49.175 Quality Care for Quality Kids allocation.

<b>Child Care Strong Initiative</b>	
<b>Fund Source</b>	<b>Annual Amount</b>
CCDF (s.49.175 Quality Care for Quality Kids)	\$17,637,000
GPR	\$53,016,400
<b>Total</b>	<b>\$70,653,400</b>

### Head Start State Supplement

- Recommends \$6,264,100 GPR in SFY22 and SFY23 to transfer of the Head Start State Supplement program from the Department of Public Instruction

### 53206 Initiative

- Continues base level funding for the 53206 initiative and, per the Budget in Brief, recommends expanding services to families in adjacent zip codes.

### Statutory Changes

- Recommends statutory language changes de-linking the YoungStar quality rating and improvement system from the Wisconsin Shares issuance amounts and creates rulemaking authority intended to implement the Child Care Strong Program.
- Recommends statutory changes for the transfer of the Head Start State Supplement to DCF

## **Family and Economic Security**

### **Skills Enhancement Grants**

- Provides additional funding of \$250,000 GPR for Skills Enhancement Grants as part of recommendations made by the Interagency Council on Homelessness. Total funding would be \$500,000 annually.

### **Child Support Agency Funding**

- Provide an additional \$4,000,000 GPR annually and associated federal funds participation (estimated at \$7,764,700 FED annually) for county child support agencies. Total GPR funding would be \$13,010,000 annually.

## **W-2 and TANF-Related Programs**

### **Wisconsin Works (W-2)**

- W-2 benefits – Increases funding by \$6,602,900 in SFY22 and \$13,971,000 on SFY23 to re-estimate W-2 benefit costs, for a total allocation of \$38,335,100 in SFY22 and \$45,703,200 in SFY23. Amounts were adjusted relative to agency request to reflect updated caseload and expenditure projections.
- W-2 contracts – Increases funding by \$4,009,700 in SFY22 and \$7,071,200 in SFY23 to re-estimate costs for W-2 services and administration contracts, for a total allocation of \$54,009,700 in SFY22 and \$57,071,200 in SFY23.
- Emergency Assistance – Increases funding by \$4,829,500 in SFY22 and \$3,936,400 in SFY23 to re-estimate Emergency Assistance (EA) program costs and reflect increased costs associated with various changes to program eligibility. Total allocations for EA are \$10,829,500 in SFY22 and \$9,936,400 in SFY23.
  - Changes to EA program eligibility criteria include:
    - Increasing the income limitation from 115 percent of the federal poverty limit to 200 percent;
    - Increasing the maximum payment amount to \$1,200;
    - Allows individuals aged 18 to 24 who are not parents or caretaker relatives to apply for EA and be determined eligible;
    - Allows a household to receive a crisis payment during a national or state emergency without receiving notice that they will be required to leave housing if payment is not made immediately.
  - The Executive Budget also modifies the definition of domestic violence under EA to make it consistent with the definition used for W-2.
- Transitional Jobs – Provides \$2,600,000 in SFY22 and \$5,200,000 in SFY23 to start the statewide expansion of Transitional Jobs. Total funding for Transform Milwaukee and Transitional Jobs would be \$12,100,000 in SFY22 and \$14,700,000 in SFY23.
- State Administration – Decrease funding due to standard budget adjustments by \$586,800 in SFY22 and \$602,300 in SFY23.
  - Provide one-time TANF funding of \$160,000 in SFY22 and \$300,000 in SFY23 to support completion of the second phase of the Benefits Recovery IT System, or BRITS, project.
  - In addition, provide \$250,000 TANF annually to support ongoing maintenance costs associated with BRITS.

- Provide additional administrative funding of \$58,800 annually associated with changes to the EA program.
- Provide an adjustment of \$600 in SFY22 and \$800 in SFY23 to fully fund a 1.0 FTE position in the Department of Administration’s Division of Energy, Housing, and Community Resources relating to the Homeless Shelter Grant program.
- Creates an Internet Assistance Program funded at a total of \$20 million annually, consisting of \$10,000,000 GPR and \$10,000,000 TANF.
  - Program would allow DCF to contract with partner agencies to aid low-income households in paying for Internet subscriptions.
  - The Governor’s Budget also provides funding for 1.0 FTE position to aid in administering the program.
- Provides additional funding of \$500,000 annually for grants to the Wisconsin Trust Account Foundation for programs providing civil legal services to low-income families, as well as expanding eligible legal services relating to eviction matters. Total funding would be \$1,000,000 annually.
- Provides additional funding of \$132,000 annually to expand the BE GREAT: Graduate program to Boys and Girls Clubs in Wausau and Sheboygan. Total funding would be \$2,807,000 annually.
- Creates a Jobs for America’s Graduates allocation, funded with \$500,000 TANF annually, which would fund programs that improve social, academic, and employment skills of youth who are TANF-eligible.
- Provides additional funding of \$500,000 annually for the Homeless Shelter Grant program.
- Extends the Offender Reentry Demonstration Project to June 30, 2023, and the due date for the evaluation of the project to June 30, 2024.
- Modifies statutory language to clearly define the term “allocate” for TANF and CCDF-funded contracts subject to s. 49.175 Wisconsin Statutes.

**Other TANF-Related Programs**

- SSI Caretaker Supplement – Decreases funding by \$6,448,600 in SFY22 and \$6,868,300 in SFY23 for projected expenditures of \$18,564,700 in SFY22 and \$18,145,000 in SFY23 in the SSI Caretaker Supplement program administered by the Department of Health Services.
- Earned Income Tax Credit – Provide an additional \$47,016,400 in SFY22 for the Earned Income Tax Credit, in order to partially offset the GPR cost of the proposed increase in the credit for filers with one dependent child and two dependent children, beginning in tax year 2021. Total allocation would be \$116,716,400 in SFY22 and \$69,700,000 in SFY23.

## **Statewide Initiatives**

### **Equity and Opportunity: "Wisconsin For All" initiative**

- Creates a cabinet-level chief equity officer position and establishes agency equity officers, who will work to identify opportunities to advance equity in government operations.
- Creates equity grants at the Departments of Children and Families, Health Services, and Administration, funded at \$50 million, for public, private, or nonprofit entities that promote diversity and advance equity and inclusion. DCF's portion is \$5,000,000 GPR in SFY22 and \$5,000,000 SEG in SFY23.
- Establishes a Governor's Fellowship Program and Governor's Wisconsin Progress Summit.
- Expands the Wisconsin Supplier Diversity Program to include new supplier certifications for disability-owned business and LGBT enterprises.
- Modifies statutes to make references to marriage, spouses, and parentage gender neutral.

### **Wage and Benefits Adjustments**

- Provides general wage adjustment of 2% on January 1, 2022, and another 2% increase on January 1, 2023.
- Increases minimum hourly wage for all permanent and project state employees to \$15.
- Creates Juneteenth as a new state holiday for state employees.
- Other Employee Benefits adjustments:
  - Reinstates domestic partnership insurance benefits.
  - Decreases the waiting period for new employees to receive the employer share of their health insurance.
  - Creates a new paid parental leave program; up to six weeks.
  - Funds paid sick leave for limited term employees.
  - Modifies the vacation allowance during the first five years of state employment to improve retention.
  - Increases night and weekend differential payments.