



**Governor's Budget Recommendations
Summary
Highlights for Tribal Nations
2025 – 2027 Biennium
April 10, 2025**

DEPARTMENT OF CHILDREN AND FAMILIES 2025-2027 Governor's Recommendations

- In total, the Governor recommends an increase in funding of \$415,316,500 [\$291,856,500 GPR, \$120,485,200 FED, and \$2,974,800 PR] and an increase of 14.5 FTE [9.76 GPR, 4.84 FED, and -0.10 PR] in SFY26 and an increase of \$473,360,800 [\$309,324,300 GPR, \$161,432,300 FED, and \$2,604,200 PR] and an increase of 14.5 FTE [10.76 GPR, 3.84 FED, and -0.10 PR] in SFY27.
- In the summary items below, when a number is listed in the title (ex. "Standard Budget Adjustments – "35"), it corresponds to items numbered in [DOA's executive budget listing for DCF](#). The budget bill was introduced as [2025 Senate Bill 45](#).
- For the full summary please visit our website: <https://dcf.wisconsin.gov/budget>

Child Welfare

Increases to Foster Care and Kinship Care Rates - 17

- The Governor recommends additional funding for foster care payments and kinship care payments as follows:
 - \$711,700 in SFY26 (\$497,600 GPR and \$214,100 FED) and \$1,422,300 in SFY27 (\$994,400 GPR and \$427,900 FED) via appropriations for Children and Family Aids, State Foster Care, and Milwaukee Child Welfare Services
 - \$6,933,800 TANF in SFY26 and \$14,000,800 TANF in SFY27 for Kinship Care allocation under s. 49.175
- The Governor provides this funding to:
 - increase age-based foster care rates by 5%, and
 - expand those age-based rates to foster care level 1 caregivers and kinship caregivers (above current rate of \$375 per month), and
 - allow for exceptional payments for sibling placements and one-time clothing allowances to these caregivers.

Home Visiting Expansion – 20

- The Governor recommends an increase of \$1,200,000 GPR in SFY26 and \$4,000,000 [\$3,896,000 GPR and \$104,000 FED] in SFY27 to expand home visiting services.

Additional State Support for Tribal Child Welfare – 16

- The Governor recommends increased funding for **tribal family services** \$98,900 GPR in SFY26 and \$173,500 GPR in SFY27 and **high-cost out-of-home care placements** an additional \$3,729,900 GPR annually to better support Native American children in the child welfare system.

Subsidized Guardianship and Kinship Care Eligibility – 19

- The Governor recommends modifying eligibility requirements for subsidized guardianships and kinship care to ensure youth in the youth justice system qualify for these placements and children of any age can qualify for subsidized guardianship and increasing funding by \$2,633,300 GPR in SFY26 and SFY27.

Youth Services Items

Independent Living Supports – 22

- The Governor recommends increasing funding by \$5,251,400 GPR annually to expand eligibility for independent living services to youth who are aging out of the out-of-home care system.

Runaway and Homeless Youth Supports – 23

- The Governor recommends increasing funding by \$3,758,700 GPR annually for programs that serve runaway and homeless youth along with 1.0 FTE GPR. Funding would increase statewide runaway and homeless youth service capacity by funding more than one grant per Youth Services Region (additional funding of \$825,000 GPR per year) and \$1,200,000 GPR per year to expand the PATHS Program (Permanent connections, Academics, Training and employment, Housing and Social and emotional well-being) statewide. PATHS serves youths at imminent risk of homeless after exiting the child welfare system.

Juvenile Court Jurisdiction - 29

- The Governor recommends 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 estimated at \$5,000,000 GPR in SFY26 and SFY27 but can be increased as needed.

Child Care

Wisconsin Shares Direct Services - 8

- The Governor recommends an increase of \$9,802,300 million FED in SFY26 and an increase of \$30,331,900 in SFY27 for the Wisconsin Shares re-estimate which includes costs related to raising rates to the 75th percentile of the market rate [\$32,917,000 FED in SFY26 and SFY27] and capping copayment levels to 7% of a family's income [\$19,476,600 FED in SFY 27].

Wisconsin Shares Quality Care for Quality Kids - 8

- The Governor recommends an increase of \$3,427,600 in SFY26 and SFY27, which includes increased funding for tribal training and technical assistance [\$500,000 in SFY26 and SFY27] and child care foundational training [\$2,166,600 in SFY26 and SFY27]. It also includes funding for the Wisconsin Out of School time Alliance (WOSTA) [\$250,000 in SFY26 and SFY27] and Early Health Consultation [\$511,000 in SFY26 and SFY27].

Child Care Counts - 1

- The Governor recommends funding of \$221,049,600 GPR in SFY26 and \$220,991,100 GPR in SFY27 to permanently continue the Child Care Counts quality improvement program. This includes CCC Grants (\$220,000,000 GPR in SFY26 and \$220,000,000 GPR in SFY27), evaluation costs (\$200,000 GPR in SFY26), and 4.0 FTE and related IT costs (\$849,600 GPR in SFY26 and \$991,100 GPR in SFY27.) Note that the evaluation costs are recommended for SFY26 only. There is an additional \$20 mil FED – CCDF assumed as part of the Quality Care for Quality Kids allocation for CCC payments. This item is for the GPR portion only.

Child Care Capacity Building - 2

- The Governor recommends one time funding of \$10,000,000 GPR in SFY 26 to increase the supply of child care providers in the state. The bill requires DCF to enter into a \$4,500,000 contract with Wonderschool to 1) increase the child care workforce by launching an online software platform that is linked to DCF's website to connect child care providers with child care workers and a pool of substitute child care workers and 2) build child care capacity in this state. The bill also requires DCF to enter into a \$5,500,000 contract with Wisconsin Early Childhood Association to provide 1) existing or prospective child care providers with licensing and certification assistance, 2) coaching and other support services, and 3) tax education assistance for child care centers that provide care and supervision for between four and eight children.

Employer Sponsored Child Care Grant Program - 3

- The Governor recommends funding of \$162,400 GPR and 1.5 FTE GPR in SFY26 and \$5,351,500 and 2.5 FTE GPR in SFY27 to establish an employer-sponsored child care grant program to support businesses that choose to invest in child care for their employees. The SFY27 budget assumes \$5,000,000 in aids payments.
- The bill authorizes DCF to establish a grant program to award funding to businesses, nonprofits, or governmental entities (businesses) that provide or wish to provide child care services for their employees. The bill allows such a grant to be used to reserve child care placements for local business employees, pay child care tuition, and other costs related to child care. Under the bill, a grant recipient with 50 or fewer employees must provide at least 10 percent matching funds and a grant recipient with more than 50 employees must provide at least 15 percent matching funds. The bill allows DCF to promulgate rules to administer the grant program, including to determine eligibility for a grant, and authorizes DCF to promulgate these as emergency rules

Community-based Four Year Old Kindergarten - 4

- The Governor recommends requiring the Department of Public Instruction, in consultation with the Department of Children and Families, to develop a standard per pupil payment amount to child care providers in school districts participating in mixed delivery models through the community approach to four-year-old kindergarten. The Governor also recommends requiring the Department of Public Instruction, in consultation with the department, to develop a model contract for school district agreements with child care providers. See [Department of Public Instruction, Item #41](#).

Head Start State Supplement – 5

- The Governor recommends a transfer of the entire \$6,264,100 GPR appropriation under Wis. Stat. § 20.255(2)(eh) and related language in Wis. Stat. § 115.3615 from the Department of Public Instruction to DCF. This appropriation funds the Head Start State Supplement, the administration of which is currently located at DCF via an inter-agency MOU with DPI.

Out of School Time Initiative - 6

- The Governor recommends funding of \$11,500,000 GPR in SFY 27 to establish an out-of-school time grant program to deliver services to school-age youth with the goal of improving social, emotional, academic or career readiness competencies and providing a safe out-of-school time environment. There is additional funding recommended for DPI as well. See [Department of Public Instruction, Item #63](#).

W-2 and TANF-Related Programs

Wisconsin Works (W-2)

- Emergency Assistance – Increases funding by \$4,414,400 in SFY26 and \$4,141,300 in SFY27 to re-estimate Emergency Assistance program costs, for a total allocation of \$10,414,400 in SFY26 and \$10,141,300 in SFY27.
- Provides an additional \$2,975,000 annually to reflect higher participation in the Transform Milwaukee Jobs and Transitional Jobs programs under a proposal to remove eligibility restrictions for the programs requiring that individuals must be unemployed for at least four weeks and ineligible for unemployment insurance benefits prior to participating in subsidized employment.
- Provide \$1,000,000 GPR annually to create expanded Transform Milwaukee Jobs and Traditional Jobs programs to mirror existing programs while increasing access for individuals not eligible for the TANF. [Number 9 in Executive Budget Book]
 - Individuals participating in the new GPR Transform Milwaukee Jobs and Transitional Jobs programs are exempt from the current TANF-funded programs' age limit (between ages of 18 and 25 if childless or a parent if over 25) and income limit (household income at or below 150 percent of the federal poverty line).

Other TANF-Related Programs

Note: All funding is FED TANF unless otherwise noted

- Kinship Care – Increases funding by \$10,025,700 in SFY26 and \$17,464,600 in SFY27.
 - Re-estimate base funding for Kinship Care to reflect current trending caseloads by -\$102,300 in SFY26 and -\$148,000 in SFY27.
 - Provide \$6,933,800 in SFY26 and \$14,000,800 in SFY27 for age-based rates, consistent with the proposed increase for IV-E foster care rates.
- Provide \$3,472,000 in SFY26 and \$6,944,000 in SFY27 and statutory language to create a child support debt reduction program to assist participating noncustodial parents in paying child support arrearage debts to custodial parents.
 - The budget bill also provides the department emergency rulemaking authority for the program.
- Provide \$6,700,000 annually in grants to the Boys and Girls Clubs as additional funding for the Wisconsin After 3 program to improve literacy skills and math proficiency for low-income youth. Total funding in the Executive Budget is \$9,507,000 annually.
- Provide an additional \$500,000 annually for homeless shelter grants administered by the Department of Administration for total funding of \$1,000,000 annually.
- Provide an additional \$1,000,000 annually for Jobs for America's Graduates to expand the program to additional schools, for total funding of \$2,000,000 annually.
- Provide an additional \$4,000,000 for civil legal services grants to the Wisconsin Trust Account Foundation, and expand eligible legal services related to eviction matters. Total funding in the Executive Budget is \$4,500,000 annually.
- Provide \$35,905,800 in SFY26 and \$36,556,500 in SFY27 for additional funding to offset the GPR cost of the proposed increase in the Earned Income Tax Credit (EITC) for filers with one dependent child and two dependent children beginning in tax year 2025. Total funding is \$100,907,800 in SFY26 and \$101,558,500 in SFY27.

- Wisconsin's EITC is administered by the Department of Revenue and tied to a percentage of the federal credit. The Executive Budget increases the percentage of the federal EITC provided by Wisconsin from 4 percent to 16 percent for filers with one qualifying child and from 11 percent to 25 percent for filers with two qualifying children.

Skills Enhancement Grants - 10

- Provide an additional \$250,000 GPR annually for skills enhancement grants, as part of a package of homeless prevention initiatives.
 - The Executive Budget Bill deletes the one-time TANF allocation provided last biennium, which expires at the end of SFY25. Total Skills Enhancement funding under the bill would be \$500,000 GPR annually.