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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2005-06

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on ... Children and Families (AC-CF)

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* Contents organized for archiving by: Stefanie Rose (LRB) (May 2012)

Assembly

Record of Committee Proceedings

Committee on Children and Families

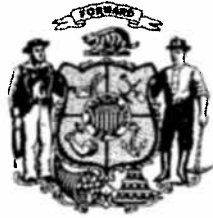
Clearinghouse Rule 06-095

Relating to grants supporting community child care initiatives.
Submitted by Department of Workforce Development.

September 11, 2006 Referred to Committee on Children and Families.

October 12, 2006 No action taken.

David Matzen
Committee Clerk



STATE REPRESENTATIVE
STEVE KESTELL
27TH ASSEMBLY DISTRICT

TO: Members of the Children and Families Committee
Representative Vos Representative Sinicki
Representative Albers Representative Grigsby
Representative Jeskewitz Representative Seidel
Representative Vukmir

FROM: Representative Steve Kestell, Chair

DATE: September 12, 2006

RE: Clearinghouse Rule 06-095

On September 11, 2006 the following clearinghouse rule was submitted by the Department of Workforce Development and was referred to the Assembly Children and Families Committee:

Clearinghouse Rule 06-095, relating to grants supporting community child care initiatives. A fiscal estimate prepared by DWD states that CR 06-095 would have no state fiscal effect and no impact on local governments. DWD states that the proposed rule simplifies the process of applying for and awarding grants under Chapter DWD 59.

The deadline for committee action on this rule is **October 11, 2006**. If you are interested in obtaining a hard copy of the rule or requesting a hearing, please do so prior to the deadline date. This rule can be accessed online in FOLIO under the "Clearinghouse Rules" InfoBase.

Steve Kestell
Chair, Assembly Committee on Children and Families





WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

Ronald Sklansky
Clearinghouse Director

Richard Sweet
Clearinghouse Assistant Director

Terry C. Anderson
Legislative Council Director

Laura D. Rose
Legislative Council Deputy Director

CLEARINGHOUSE RULE 06-095

Comments

[NOTE: All citations to “Manual” in the comments below are to the Administrative Rules Procedures Manual, prepared by the Revisor of Statutes Bureau and the Legislative Council Staff, dated January 2005.]

2. Form, Style and Placement in Administrative Code

a. Please review the headings in the rule summary so that they are consistent with what is required under current law. [See s. 1.02 (2), Manual.] Also, there is no “Analysis and supporting documents used to determine effect on small business or in preparation of economic impact report” heading or information.

b. In the treatment clause for SECTION 4, the reference to (4) (d) should be deleted.

c. In the treatment clause for SECTION 6, a reference to (2) (d) 2. needs to be added.

5. Clarity, Grammar, Punctuation and Use of Plain Language

In s. DWD 59.05, it appears that the new language could be written more accurately. Perhaps, “that will allow the match amount to be expressed in whole dollars” would be more appropriate.



WISCONSIN LEGISLATIVE COUNCIL RULES CLEARINGHOUSE

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CLEARINGHOUSE REPORT TO AGENCY

[THIS REPORT HAS BEEN PREPARED PURSUANT TO S. 227.15, STATS. THIS IS A REPORT ON A RULE AS ORIGINALLY PROPOSED BY THE AGENCY; THE REPORT MAY NOT REFLECT THE FINAL CONTENT OF THE RULE IN FINAL DRAFT FORM AS IT WILL BE SUBMITTED TO THE LEGISLATURE. THIS REPORT CONSTITUTES A REVIEW OF, BUT NOT APPROVAL OR DISAPPROVAL OF, THE SUBSTANTIVE CONTENT AND TECHNICAL ACCURACY OF THE RULE.]

CLEARINGHOUSE RULE 06-095

AN ORDER to amend DWD 59.03 (6) (a), 59.04 (1), 59.05 (intro.) and (4) (a), and 59.07 (1) (intro.), (2) (a) and (d); and to repeal and recreate DWD 59.04 (2) and 59.06 (3), relating to grants supporting community child care initiatives.

Submitted by **DEPARTMENT OF WORKFORCE DEVELOPMENT**

07-17-2006 RECEIVED BY LEGISLATIVE COUNCIL.

08-08-2006 REPORT SENT TO AGENCY.

RS:AS

LEGISLATIVE COUNCIL RULES CLEARINGHOUSE REPORT

This rule has been reviewed by the Rules Clearinghouse. Based on that review, comments are reported as noted below:

1. STATUTORY AUTHORITY [s. 227.15 (2) (a)]

Comment Attached YES NO

2. FORM, STYLE AND PLACEMENT IN ADMINISTRATIVE CODE [s. 227.15 (2) (c)]

Comment Attached YES NO

3. CONFLICT WITH OR DUPLICATION OF EXISTING RULES [s. 227.15 (2) (d)]

Comment Attached YES NO

4. ADEQUACY OF REFERENCES TO RELATED STATUTES, RULES AND FORMS
[s. 227.15 (2) (e)]

Comment Attached YES NO

5. CLARITY, GRAMMAR, PUNCTUATION AND USE OF PLAIN LANGUAGE [s. 227.15 (2) (f)]

Comment Attached YES NO

6. POTENTIAL CONFLICTS WITH, AND COMPARABILITY TO, RELATED FEDERAL
REGULATIONS [s. 227.15 (2) (g)]

Comment Attached YES NO

7. COMPLIANCE WITH PERMIT ACTION DEADLINE REQUIREMENTS [s. 227.15 (2) (h)]

Comment Attached YES NO



Jim Doyle
Governor

Roberta Gassman
Secretary



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SECRETARY**

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State of Wisconsin

Department of Workforce Development

Rule Analysis for Legislative Review

**Proposed Rules Relating to Grants Supporting Community Child Care Initiatives
DWD 59
CR 06-095**

Basis and Purpose of the Proposed Rules

Chapter DWD 59 governs the administration of grants to local governments and tribes under the local pass-through program. In recent years, funding for this program has been cut by 86%. The proposed rules simplify the process of applying for and awarding the grants in a manner that will provide for equitable grant making over time while not requiring an overly complicated procedure for distributing the program's limited funding.

Public Hearing Summary

A public hearing was held on August 16, 2006. Jane Ilgen of the Wisconsin Child Care Improvement Project commented: "I support this proposed rule change as it will clean up the rule and keep the program manageable. I appreciate that DWD has taken the time to propose the rule change, in turn helping our state government run more efficiently."

No other comments were received.

Response to Legislative Council Staff Recommendations

All comments were accepted.

Changes to Analysis Prepared under s. 227.14, Stats.

In response to Legislative Council comments, headings were modified and rearranged and language describing the department's adjustment of the grant match percentage so the dollar amount can be expressed in whole dollars was clarified.

Final Regulatory Flexibility Analysis

The proposed rule does not affect small businesses.

Department Contacts

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266-8200

Elaine Pridgen
Administrative Rules Coordinator
Office of Legal Counsel
267-9403

State of Wisconsin
Department of Workforce Development
Division of Workforce Solutions
Grants Supporting Community Child Care Initiatives
Chapter DWD 59

The Wisconsin Department of Workforce Development proposes an order to amend ss. DWD 59.03(6)(a), 59.04(1), 59.05(intro.), 59.05(4)(a), 59.07(1)(intro.), 59.07(2)(a), and 59.07(2)(d)2.; and to repeal and recreate ss. DWD 59.04(2) and 59.06(3), relating to grants supporting community child care initiatives.

Analysis Prepared by the Department of Workforce Development

Statutes interpreted: Section 49.137 (4m), Stats.

Statutory authority: Sections 49.137 (4m) and 227.11 (2), Stats.

Related statutes and rules: 42 USC 9858 to 9858q and 45 CFR Part 98

Explanation of agency authority. Section 49.137 (4m), Stats., provides that the department shall award grants to local governments and tribal governing bodies for programs to improve the quality of child care. The department shall promulgate rules to administer the grant program, including rules that specify the eligibility criteria and procedures for awarding grants. Section 49.137 (4m) refers to the program as the local pass-through grant program.

The local pass-through grant program is funded by the federal Child Care and Development Fund (CCDF), a federal block grant that makes federal child care funding available to states that contribute the required match at the state's federal medical assistance percentage rate. The local pass-through program began in 1999 to bring CCDF funds into the state that had been left unmatched in the state budget. Through the local pass-through program, the department awards grants supporting community child care initiatives to all local governments and tribes that supply the match required to bring the CCDF funds into the state.

Plain language analysis. In recent years, funding for grants supporting community child care initiatives has been cut by 86%. This reduced funding necessitates a change in the procedure for awarding the grants. Under the current rule, former initial grantees may receive continuing grants in the 2 following funding cycles of up to 75% of the amount of their initial grants and then may also compete, along with any eligible jurisdiction in the state, for the remaining 25% of funding as initial grantees. The proposed rule will allow all grants in some years to be awarded as initial grants and all grants in other years to be awarded as continuing grants.

Offering only initial grants in some funding cycles and only continuing grants in other cycles will provide for equitable grant making over time while not requiring an overly complicated procedure for awarding the program's limited funding. Availability of initial grants gives new applicants the opportunity to apply for funding. Availability of continuing grants is important to local governments and tribes because they need to know that they will be able to receive funding for more than one year before they go through the effort and expense of starting a new program. Continuing grants support local governments and tribes that have shown an interest in receiving the grants, have the match on hand, and have the demand of grant-funded activities. There are currently 48 grantees representing approximately 86 local jurisdictions.

Offering both continuing grants and initial grants each year creates workload issues for both local governments and tribes and for the department. Local governments and tribes may receive funding through both the continuing and initial grant process and this causes duplicated work at the state and local level. Offering both initial and continuing grants each year creates workload issues for the department due to the effort in publicizing and promoting a statewide open RFP for initial grants, recalculating the fair share funding available for each county, and recalculating the proportions for each grantee within the fair share funding.

The current rule provides that a continuing grant may be offered for 2 funding cycles following the award of the initial grant. The proposed rule will allow a continuing grant for up to 3 funding cycles. This will allow more flexibility in managing the program. In addition, the current rule provides that continuing grants may be offered in an amount up to 75% of the amount of the initial grant. The proposed rule will allow a continuing grant in an amount up to 200% of the initial grant. The increase to 200% is proposed to avoid a mandatory RFP for initial grants if there is only a small amount of funding left to award. If the pass-through program received funding at a significantly higher level, the department could offer an RFP for initial grants to allow local governments and tribes to apply when they may not have considered the lower funding levels to be worthwhile.

The proposed rule will also:

- Amend the authority of the department to round the level of required match from the nearest higher full percentage point to the nearest higher percentage that will allow the match amount to be expressed in whole dollars.
- Repeal descriptions of single, cooperative, and collaborative applications. This level of detail is more appropriate for the RFP.
- Repeal the subsection that provides for different percentages of the grant that may be spent on administrative costs based on the different types of applications and creates a provision that allows the department to limit the amount of funding that may be spent on administrative costs to a level no higher than 15%.
- Make minor language changes to clarify and simplify the rule.

Summary of, and comparison with, existing or proposed federal regulations. The statewide limit on administrative costs for a CCDF grant is 5%. The other issues in the proposed rules are not addressed in federal law.

Comparison with rules in adjacent states. None of the adjacent states have a comparable program.

Summary of factual data and analytical methodologies. The proposed rule is intended to simplify the procedures for applying for grants and awarding of grants due to the significantly reduced funding for the program.

Analysis and supporting documents used to determine effect on small business. The rule covers a program under which the state awards grants to local and tribal governments.

Effect on small businesses. The proposed rules do not affect small businesses.

Agency contact person. Barbara Stiefvater, Grants Specialist, Child Care Section. Barbara.stiefvater@dwd.state.wi.us or (608) 266-8200.

Place where comments are to be submitted and deadline for submission. Written comments on the proposed rules must be received at the following address or email no later than August 17, 2006:

Elaine Pridgen
Office of Legal Counsel
Dept. of Workforce Development
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Madison, WI 53707-7946
(608) 267-9403
elaine.pridgen@dwd.state.wi.us

SECTION 1. DWD 59.03 (6) (a) is amended to read:

DWD 59.03 (6) (a) Awarding ~~initial and continuing~~ grants pursuant to s. DWD 59.07 ~~(1) and (2)~~.

SECTION 2. DWD 59.04 (1) is amended to read:

DWD 59.04 (1) ~~ELIGIBLE APPLICANTS~~ INITIAL GRANTS. Any local government or tribe that is located in Wisconsin may submit an application for ~~funds~~ an initial grant under ~~this chapter~~ s. DWD 59.07.

SECTION 3. DWD 59.04 (2) is repealed and recreated to read:

DWD 59.04 (2) CONTINUING GRANTS. Any recipient of an initial grant may apply for a continuing grant under s. DWD 59.07 if a continuing grant RFP is offered.

SECTION 4. DWD 59.05 (intro.) and (4) (a) are amended to read:

DWD 59.05 Match requirement. A local government or tribe that applies for funds under this chapter shall certify that matching expenditures represent expenditures eligible for federal match as required under 42 USC 9858–9858q, 45 CFR Parts 98 and 99, this chapter, and the RFP. The department shall determine the minimum match expenditure to be either the federal medical assistance percentage for Wisconsin for the federal fiscal year in which the match expenditure occurs or a higher percentage rate needed to meet the state's match requirements under 45 CFR 98.53 and 45 CFR 98.63 as affected by ss. 20.445 (3) (cm), 20.445 (3) (md), and 49.175 (1) (qm), Stats. The department may round this percentage of required match to the nearest higher ~~full percentage point~~ that will allow the match amount to be expressed in whole dollars. A match expenditure shall comply with the following criteria:

DWD 59.05 (4) (a) Providing low-income working families with financial resources to find and access quality child care for their children.

SECTION 5. DWD 59.06 (3) is repealed and recreated to read:

DWD 59.06 (3) LIMIT ON ADMINISTRATIVE COSTS. The department may limit the amount of grant funding that may be spent on administrative costs to a percentage no higher than 15%.

SECTION 6. DWD 59.07 (1) (intro.), (2) (a), (2) (d) 2. are amended to read:

DWD 59.07 Amount of grants. (1) INITIAL GRANT. ~~No initial grant may be awarded if there is insufficient funding appropriation under s. 49.175 (1) (qm), Stats., to provide continuing grants under sub. (2) of at least 50% of the eligible grantees' initial grant levels from the previous 2 grant cycles.~~ If initial grants are awarded, the amount of an initial grant shall be based on the following:

(2) CONTINUING GRANTS. (a) A continuing grant may be offered to a local government or tribe for ~~2~~ up to 3 funding cycles after the initial grant was awarded.

(d) 2. At a level up to ~~75%~~ 200% of the initial grant if match requirements are met. ~~Additional funds may be provided if the applicant identifies sufficient match and funds are available under initial grant rules.~~

SECTION 7. EFFECTIVE DATE. This rule shall take effect the first day of the month following publication in the Administrative Register as provided in s. 227.22(2)(intro), Stats.