

### Fiscal Estimate - 2009 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>09-3596/1</b>	<b>Introduction Number</b> <b>AB-0479</b>	
<b>Description</b> Prohibiting a person who has been convicted or adjudicated delinquent for committing certain serious crimes, who is the subject of a pending criminal charge or delinquency petition for committing a serious crime, or who has had entered against him or her a domestic abuse, child abuse, individual-at-risk abuse, or harassment temporary restraining order or injunction in the preceding 15 years from being licensed, certified, or contracted with to provide child care, from being employed or contracted as a caregiver of a child care provider, or from being permitted to reside at a premises where child care is provided; requiring suspected fraudulent activity on the part of a participant in the Wisconsin Works Program, including a person receiving a child care subsidy under that program, to be reported to the district attorney; making an appropriation; and providing a penalty		
<b>Fiscal Effect</b>  <b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS s. 20.435 (6)(jm)		
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DHS/ Carrie Schneck (608) 266-5362	Andy Forsaith (608) 266-7684	11/4/2009

5. Types of Local Government Units Affected  
 Towns     Village     Cities  
 Counties     Others  
 School Districts     WTCS Districts

## Fiscal Estimate Narratives

DHS 11/4/2009

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### Assumptions Used in Arriving at Fiscal Estimate

This bill requires the Department of Children and Families (DCF), a county department, contracting agency, or school board to perform a criminal history search of child care providers and other relevant persons more frequently than under current law. This bill would increase the frequency of checks from once every four years to every 90 days.

Criminal history searches are completed in Department of Justice (DOJ) databases and caregiver background searches through the Department of Health Services (DHS). The caregiver background checks involve searches of licensing databases and the DHS client abuse registry.

Checks must be performed by DCF for child care providers and nonclient residents, and by child care providers for all of their employees. The cost of these background checks is borne by the entity who requests the check. The cost of the background check varies depending on the type of provider and whether the check is requested via the internet, by mail, or fax. If a background check is requested by a non-profit agency or a government agency via internet, the cost for the combined DOJ criminal history check and the DHS caregiver background check is \$10. Any other child care provider would pay \$16.00. If the request is submitted by fax or mail, the cost is \$15 for non-profit or government agencies, and \$21 for other day care providers. In each circumstance, DHS receives \$2.75 of the fee. The funds are deposited in s. 20.435(6)(jm) and used to support the cost of the automated system that processes search requests. The fee is waived for state agencies.

The Department of Children and Families (DCF) states there are currently 8,500 licensed and certified providers in the state. Of these providers, 2,600 are county-certified providers who would be required to pay a fee. Under this bill, provider background searches will increase from once every 4 years to 4 searches per year. Currently, approximately 1,950 background checks are conducted annually for providers. Assuming that 2,600 providers and 5,200 non-client residents who reside in a provider's home will require background searches, the number of searches conducted by counties would be expected to increase by 29,250 per year.

In addition, this bill requires day care providers' to increase the frequency of background searches on caregiving employees from once every four years to every 90 days. DCF estimates the current number of employee searches is 5,313 per year. This bill's requirements would increase the number of employee searches to approximately 85,010 per year, a net increase of approximately 79,700 searches.

If this bill is passed, DHS would expect to process an additional 108,950 background searches per year for which DHS would receive estimated additional fee revenues of \$299,600 annually.

Caregiver background checks are processed by DHS through an automated system. For persons who request the criminal history check by mail, increased costs to DHS for postage and other mailing fees are estimated to be \$10,500. The \$299,600 in increased revenue would be used to cover those costs and for the ongoing operation of the background check system.

Last, the bill requires any employee of DCF, DHS, a county, or a tribal governing body who reasonably suspects fraudulent activity on the part of a participant in the Wisconsin Works program to immediately

report the facts and circumstances contributing to that suspicion to the district attorney. The bill provides for fines and imprisonment for individuals who fail to report. It is not expected that these provisions will result in increased expenses to DHS.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
	State Operations - Salaries and Fringes	\$	\$
	(FTE Position Changes)		
	State Operations - Other Costs	10,500	
	Local Assistance		
	Aids to Individuals or Organizations		
	<b>TOTAL State Costs by Category</b>	<b>\$10,500</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
	GPR		
	FED		
	PRO/PRS	10,500	
	SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS	299,600	
	SEG/SEG-S		
	<b>TOTAL State Revenues</b>	<b>\$299,600</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		State	Local
NET CHANGE IN COSTS		\$10,500	\$
NET CHANGE IN REVENUE		\$299,600	\$

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