



## Fiscal Estimate Narratives

DCF 10/7/2013

LRB Number	13-3239/2	Introduction Number	AB-0401	Estimate Type	Original
<b>Description</b> Transitional Jobs program					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Department is required to establish a program, known as the Transform Milwaukee Jobs Program, offering subsidized employment opportunities to certain low-income residents of Milwaukee county transitioning to unsubsidized employment from circumstances such as unemployment, limited work history, foster care, or other target groups established by the Department.

This bill would authorize DCF to establish a Transitional Jobs program, with the same eligibility and programs requirements as the Transform Milwaukee Job program, outside of Milwaukee County, to the extent of available funds. The bill does not appropriate funds or increase spending authority for federal Temporary Assistance for Needy Families (TANF) funds for the Transitional Jobs program.

Under current law, to fund the Transitional Jobs program, the Department could: 1) reallocate funding from one TANF/Child Care allocation to the allocation for Transform Milwaukee and Transitional Jobs as authorized under this bill, if the secretary of the department of administration approves; 2) request additional spending authority for federal block grant funding under a s. 16.54 Joint Committee on Finance (JCF) passive review process if additional federal funds becomes available; or 3) request the approval of the JCF to expend a portion of the unobligated carryover of \$4.3 million included as part of the 2013-15 biennial budget. The bill also would authorize participants in the Transitional Jobs program to receive a Wisconsin Shares subsidy for the cost of child care, if the participant needs child care in order to participate.

Based on expenditure data for the Transitional Jobs Demonstration Project, the Department estimates that each Transitional Jobs placement under this bill would cost \$7,750 per placement, so 100 additional placements would cost approximately \$775,000. The Department estimates that child care expenditures would average \$1,050 per participant, or about \$105,000 for 100 participants in Transitional Jobs. DCF assumes that the cost to Wisconsin Shares can be absorbed within the existing Wisconsin Shares budget.

### Long-Range Fiscal Implications