

**Jim Doyle**  
Governor

**Roberta Gassman**  
Secretary



**OFFICE OF THE SECRETARY**

201 East Washington Avenue  
P.O. Box 7946  
Madison, WI 53707-7946  
Telephone: (608) 266-7552  
Fax: (608) 266-1784  
<http://www.dwd.state.wi.us/>

**State of Wisconsin**  
**Department of Workforce Development**

---

**Report From Agency**

**Rule Analysis for Legislative Review**

**Proposed Rules Relating to Child Care Rates**  
**Chapter DWD 56**  
**CR 007-030**

**Basis and Purpose of the Proposed Rules**

The rule provides that the reimbursement rates paid to child care providers by the Wisconsin Shares child care subsidy program will not be adjusted for the year beginning January 1, 2007, and the rates effective on December 31, 2006, will remain in effect. This policy was implemented in January as an emergency rule when the estimated fiscal year deficit for the program was \$46 million. Moving into state fiscal year 2008, the Department continues to be challenged with potential deficit issues for the child care program.

**Public Hearing Summary**

A public hearing was held on May 7, 2007. A summary of the hearing comments and the Department's responses is attached.

**Response to Legislative Council Staff Recommendations**

The Department's responses are attached.

**Changes to Analysis Prepared under s. 227.14 (2), Stats.**

The "Factual Data and Analytical Methodologies" section was updated and a reference to the Department's more detailed analysis on the effect of the rule on small businesses was added.

**Final Regulatory Flexibility Analysis and Response to Small Business Regulatory Review Board**

The Department's analysis found that the proposed rule would not have a significant impact on a substantial number of small businesses. The Small Business Regulatory Review Board

(SBRRB) directed the Department to provide more detail on the analytical approach and methodologies used in making this determination. The Department submitted a more detailed analysis of the Department's analytical approach to the SBRRB and this analysis was acknowledged by the Board on July 19, 2007.

**Department Contacts**

Laura Saterfield  
Section Chief  
Child Care Section  
266-3343

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