

DEPARTMENT OF CHILDREN AND FAMILIES

GOVERNOR'S BUDGET RECOMMENDATIONS

Source of Funds	FY25 Adjusted Base	FY26 Recommended	% Change Over FY25	FY27 Recommended	% Change Over FY26
GPR	466,467,800	758,324,300	62.6	775,792,100	2.3
PR-F	910,291,000	1,030,776,200	13.2	1,071,723,300	4.0
PR-S	97,581,300	100,918,100	3.4	100,383,100	-0.5
PR-O	29,435,300	29,073,300	-1.2	29,237,700	0.6
SEG-O	55,927,600	55,927,600	0.0	55,927,600	0.0
TOTAL	1,559,703,000	1,975,019,500	26.6	2,033,063,800	2.9

FULL-TIME EQUIVALENT POSITION SUMMARY

Source of Funds	FY25 Adjusted Base	FY26 Recommended	FTE Change Over FY25	FY27 Recommended	FTE Change Over FY26
GPR	232.91	242.67	9.76	243.67	1.00
PR-F	405.98	410.82	4.84	409.82	-1.00
PR-S	164.04	163.94	-0.10	163.94	0.00
PR-O	15.47	15.47	0.00	15.47	0.00
TOTAL	818.40	832.90	14.50	832.90	0.00

AGENCY DESCRIPTION

The department is headed by a secretary, who is appointed by the Governor with the advice and consent of the Senate, and has five divisions. The department works in partnership with local governments, health and social services agencies, private providers, and concerned and affected citizens to:

- Protect and promote child, family and community well-being through integrated programs offering a family-centered approach to service delivery.
- Manage child protective services in Milwaukee County.
- Administer the statewide child welfare system by working with local governments, health and social services agencies, and private providers to protect children and establish permanency plans for the care and placement of these children.
- Administer the home visiting program.

Children and Families

- Administer the Wisconsin Works (W-2) and Wisconsin Shares (child care subsidy) programs to promote self-sufficiency through employment.
- Maintain systems to collect and disburse child support payments, and encourage county efforts to establish paternity and support.

MISSION

The mission of the department is to improve the economic and social well-being of Wisconsin's children, youth and families. The department is committed to protecting children and youth, strengthening families, and supporting communities.

PROGRAMS, GOALS, OBJECTIVES AND ACTIVITIES

The five overarching goals of the department include:

1. Children are nurtured, safe and engaged.
2. Prevention and early intervention efforts are enhanced throughout Wisconsin.
3. Families will have access to quality early care and education.
4. Parents will secure and maintain meaningful jobs.
5. Fathers will be more engaged in the lives of their children.

Program 1: Children and Family Services

Goal: Achieve permanency for children in out-of-home care.

Objective/Activity: Increase the percentage of children who transition from an out-of-home care placement to a permanent family setting within 12 months.

Goal: Reduce the revictimization of children.

Objective/Activity: Increase the percentage of children with a substantiated report of maltreatment who are not revictimized within 12 months of substantiation.

Goal: Provide timely initial contacts for reports of child maltreatment.

Objective/Activity: Increase the percentage of all initial contact visits during the month that were completed or attempted timely.

Goal: Contact children in out-of-home care on a monthly basis.

Objective/Activity: Increase the percentage of children in out-of-home care who were visited by their caseworker in the month.

Goal: Provide stability for Milwaukee children in out-of-home care.

Objective/Activity: Reduce the number of children who experience episodes of placements in group care settings.

Children and Families

Program 2: Economic Support

Goal: Participants in the department's employment programs obtain employment.

Objective/Activity: Increase the percentage of individuals served by the department's employment programs who started a job in the past 12 months.

Goal: Engage Wisconsin Works (W-2) participants in employment activities.

Objective/Activity: Increase the percentage of participants receiving a cash grant under the W-2 employment program who are engaged full-time in federally qualifying activities such as work experience, job search, and education and training.

Goal: Increase the quality of child care programs.

Objective/Activity: Increase the percentage of child care programs participating in the state's child care quality rating and improvement system (YoungStar) that are rated as high quality (3-, 4- or 5-star quality level).

Goal: Connect families receiving child care subsidies under the Wisconsin Shares program with high-quality child care programs.

Objective/Activity: Increase the percentage of children receiving subsidized child care under Wisconsin Shares who are attending high-quality child care providers (3-, 4- or 5-star quality level as rated by YoungStar).

Goal: Establish child support court orders.

Objective/Activity: Increase the percentage of child support cases with a court order established.

Goal: Increase the payment of current child support.

Objective/Activity: Increase the percentage of child support paid in the month that it is due.

Goal: Increase the payment of past child support.

Objective/Activity: Increase the percentage of child support cases with unpaid debt balances (past child support or arrears) that have a collection during the federal fiscal year.

PERFORMANCE MEASURES

2023 AND 2024 GOALS AND ACTUALS

Prog. No.	Performance Measure	Goal 2023	Actual 2023	Goal 2024	Actual 2024
1.	Increase the rate at which children transition from out-of-home care to permanent family setting within 12 months.	40.5%	35.7%	40.5%	19%
1.	Increase the rate at which children with a substantiated report of maltreatment are not revictimized within 12 months of substantiation.	90.9%	96.6%	90.9%	97.3%

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Prog. No.	Performance Measure	Goal 2023	Actual 2023	Goal 2024	Actual 2024
1.	Increase the rate at which initial contact visits during the month are completed or attempted timely.	95%	92.5%	95%	87%
1.	Increase the rate at which children in out-of-home care are visited by their caseworker in the month.	95%	96.2%	95%	83%
1.	Reduce the percentage of children who experience episodes of placements in group care settings. ¹	-5%	-4%	-5%	-17%
2.	Increase the percentage of W-2 participants that obtain employment. ²	30%	37%	30%	29%
2.	Increase the percentage of W-2 participants, who are receiving a cash grant, engaged full-time in federally qualifying employment activities.	50%	49%	50%	50%
2.	Increase the percentage of child care programs participating in YoungStar that are rated as high-quality (at least 3-star).	52%	48%	53%	41%
2.	Increase the percentage of children who receive Wisconsin Shares attending high-quality child care providers (rated at least 3-star).	73%	60.3%	75%	57.9%
2.	Increase the percentage of child support cases with a court order established. ³	80%	85%	80%	84%
2.	Increase the percentage of child support paid in the month that it is due. ³	80%	75%	80%	74%
2.	Increase the percentage of child support cases with unpaid debt balances (past child support or arrears) that have a collection during the federal fiscal year. ⁴	80%	68%	80%	64%

Note: Based on fiscal year.

¹Based on federal fiscal year, the 2024 percentage is calculated on an eight-month period.

²"Obtaining employment" is only counted when a job is retained for at least 31 days. The department met 2023 federal work participation goals due to caseload reduction credits. Based on the federal fiscal year, 2024 data is calculated on a nine-month period (October through June).

³Based on the federal fiscal year, the 2024 data is calculated on a nine-month period (October through June).

⁴Based on federal fiscal year, the 2024 data is calculated on a nine-month period (October through June). The arrears metric is one that is expected to increase during the course of the federal fiscal year.

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2025, 2026, AND 2027 GOALS

Prog. No.	Performance Measure	Goal 2025	Goal 2026	Goal 2027
1.	Increase the rate at which children transition from out-of-home care to permanent family setting within 12 months.	40.5%	40.5%	40.5%
1.	Increase the rate at which children with a substantiated report of maltreatment are not revictimized within 12 months of substantiation.	90.9%	90.9%	90.9%
1.	Increase the rate at which initial contact visits during the month are completed or attempted timely.	95%	95%	95%
1.	Increase the rate at which children in out-of-home care are visited by their caseworker in the month.	95%	95%	95%
1.	Reduce the percentage of children who experience episodes of placements in group care settings.	-5%	-5%	-5%
2.	Increase the percentage of W-2 participants that obtain employment. ¹	30%	30%	30%
2.	Increase the percentage of W-2 participants, who are receiving a cash grant, engaged full-time in federally qualifying employment activities.	50%	50%	50%
2.	Increase the percentage of child care programs participating in YoungStar that are rated as high-quality (at least 3-star).	54%	53%	54%
2.	Increase the percentage of children who receive Wisconsin Shares attending high-quality child care providers (rated at least 3-star).	65% ²	68%	70%
2.	Increase the percentage of child support cases with a court order established.	80%	80%	80%
2.	Increase the percentage of child support paid in the month that it is due.	80%	80%	80%
2.	Increase the percentage of child support cases with unpaid debt balances (past child support or arrears) that have a collection during the federal fiscal year.	80%	80%	80%

Note: Based on fiscal year.

¹"Obtaining employment" is only counted when a job is retained for at least 31 days.

²The goal was updated for 2025.

DEPARTMENT OF CHILDREN AND FAMILIES

GOVERNOR'S BUDGET RECOMMENDATIONS

RECOMMENDATIONS

1. Child Care Counts Quality Improvement Program
2. Building Child Care Capacity
3. Employer-Sponsored Child Care Grant Program
4. Community-Based Four-Year-Old Kindergarten
5. Transfer of Head Start State Supplement
6. Out-of-School Time Funding
7. Child Care Water Safety Grant Program
8. TANF/CCDF Reestimate
9. Expanded Transform Milwaukee Jobs and Transitional Jobs Programs
10. Skills Enhancement Grant
11. Child Support Information Technology Modernization Project
12. Elimination of Birth Cost Recovery
13. Limiting Child Support for Out-of-Home Care
14. Social Security Benefits for Children in Out-of-Home Care
15. Children and Family Aids Increase
16. State Support for Tribal Child Welfare
17. Foster Care and Kinship Care Rate Changes
18. Specialized Congregate Care
19. Subsidized Guardianship and Kinship Care Eligibility
20. Home Visiting Expansion
21. Triple P Online
22. Independent Living Supports
23. Runaway and Homeless Youth Supports
24. Milwaukee Child Welfare Quality Improvement Positions
25. Milwaukee Child Welfare Reestimate
26. State Foster Care, Adoption Assistance, Subsidized Guardianship and Public Adoption Services Reestimate
27. Youth Aids Increase
28. Youth Aids Funding Modifications
29. Additional Funding for Juvenile Court Jurisdiction
30. Juvenile Justice Reform Review Committee
31. Additional Resources for the Office of Legal Counsel
32. Funding for Previous General Wage Adjustments Bills
33. Program Revenue Reestimates
34. Funding and Position Realignment
35. Standard Budget Adjustments

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Table 1
Department Budget Summary by Funding Source (in thousands of dollars)

	ACTUAL FY24	ADJUSTED BASE FY25	AGENCY REQUEST FY26	AGENCY REQUEST FY27	GOVERNOR'S RECOMMENDATION FY26	GOVERNOR'S RECOMMENDATION FY27
GENERAL PURPOSE REVENUE	\$504,815.6	\$466,467.8	\$483,583.1	\$483,781.0	\$758,324.3	\$775,792.1
State Operations	42,853.6	43,009.4	43,855.9	43,862.3	52,372.1	59,057.4
Local Assistance	157,308.6	116,188.0	116,188.0	116,188.0	137,413.0	148,784.2
Aids to Ind. & Org.	304,653.3	307,270.4	323,539.2	323,730.7	568,539.2	567,950.5
FEDERAL REVENUE (1)	\$902,172.6	\$910,291.0	\$944,928.3	\$943,163.7	\$1,030,776.2	\$1,071,723.3
State Operations	105,174.0	114,896.3	123,254.5	124,040.2	137,702.0	145,590.9
Local Assistance	138,427.4	152,196.9	152,196.9	152,196.9	155,141.6	156,020.2
Aids to Ind. & Org.	658,571.1	643,197.8	669,476.9	666,926.6	737,932.6	770,112.2
PROGRAM REVENUE (2)	\$116,488.6	\$127,016.6	\$129,991.4	\$129,620.8	\$129,991.4	\$129,620.8
State Operations	64,184.1	76,211.4	79,847.6	79,416.7	79,847.6	79,416.7
Local Assistance	8,002.7	7,973.6	7,973.6	7,973.6	7,973.6	7,973.6
Aids to Ind. & Org.	44,301.8	42,831.6	42,170.2	42,230.5	42,170.2	42,230.5
SEGREGATED REVENUE (3)	\$9,139.7	\$55,927.6	\$55,927.6	\$55,927.6	\$55,927.6	\$55,927.6
State Operations	0.0	135.0	135.0	135.0	135.0	135.0
Local Assistance	0.0	46,652.9	46,652.9	46,652.9	46,652.9	46,652.9
Aids to Ind. & Org.	9,139.7	9,139.7	9,139.7	9,139.7	9,139.7	9,139.7
TOTALS - ANNUAL	\$1,532,616.4	\$1,559,703.0	\$1,614,430.4	\$1,612,493.1	\$1,975,019.5	\$2,033,063.8
State Operations	212,211.7	234,252.1	247,093.0	247,454.2	270,056.7	284,200.0
Local Assistance	303,738.8	323,011.4	323,011.4	323,011.4	347,181.1	359,430.9
Aids to Ind. & Org.	1,016,666.0	1,002,439.5	1,044,326.0	1,042,027.5	1,357,781.7	1,389,432.9

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

(3) Includes Segregated Revenue-Service, Segregated Revenue-Other and Segregated Revenue-Local

Children and Families

**Table 2
Department Position Summary by Funding Source (in FTE positions)**

	ADJUSTED BASE FY25	AGENCY REQUEST FY26	FY27	GOVERNOR'S RECOMMENDATION FY26	FY27
GENERAL PURPOSE REVENUE	232.91	232.91	232.91	242.67	243.67
State Operations	232.91	232.91	232.91	241.67	242.67
Local Assistance	0.00	0.00	0.00	1.00	1.00
FEDERAL REVENUE (1)	405.98	406.08	405.08	410.82	409.82
State Operations	387.98	388.08	388.08	392.82	392.82
Aids to Ind. & Org.	18.00	18.00	17.00	18.00	17.00
PROGRAM REVENUE (2)	179.51	179.41	179.41	179.41	179.41
State Operations	173.75	173.65	173.65	173.65	173.65
Aids to Ind. & Org.	5.76	5.76	5.76	5.76	5.76
TOTALS - ANNUAL	818.40	818.40	817.40	832.90	832.90
State Operations	794.64	794.64	794.64	808.14	809.14
Local Assistance	0.00	0.00	0.00	1.00	1.00
Aids to Ind. & Org.	23.76	23.76	22.76	23.76	22.76

(1) Includes Program Revenue-Federal and Segregated Revenue-Federal

(2) Includes Program Revenue-Service and Program Revenue-Other

Children and Families

**Table 3
Department Budget Summary by Program (in thousands of dollars)**

	ACTUAL FY24	ADJUSTED BASE FY25	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
			FY26	FY27	FY26	FY27
1. Children and family services	\$558,276.5	\$549,131.5	\$565,351.9	\$566,144.7	\$594,213.3	\$609,742.5
2. Economic support	\$926,962.9	\$960,390.8	\$995,836.5	\$993,701.3	\$1,327,564.2	\$1,370,674.2
3. General administration	\$47,377.0	\$50,180.7	\$53,242.0	\$52,647.1	\$53,242.0	\$52,647.1
TOTALS	\$1,532,616.4	\$1,559,703.0	\$1,614,430.4	\$1,612,493.1	\$1,975,019.5	\$2,033,063.8

**Table 4
Department Position Summary by Program (in FTE positions)**

	ADJUSTED BASE FY25	AGENCY REQUEST		GOVERNOR'S RECOMMENDATION	
		FY26	FY27	FY26	FY27
1. Children and family services	307.21	307.91	307.91	312.91	312.91
2. Economic support	361.59	360.89	359.89	370.39	370.39
3. General administration	149.60	149.60	149.60	149.60	149.60
TOTALS	818.40	818.40	817.40	832.90	832.90

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1. Child Care Counts Quality Improvement Program

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	221,049,600	4.00	220,991,100	4.00
TOTAL	0	0.00	0	0.00	221,049,600	4.00	220,991,100	4.00

The Governor recommends providing funding to permanently establish Child Care Counts as the state's ongoing child care quality improvement program to improve the quality, affordability and accessibility of child care for all Wisconsin children. The Governor also recommends allocating TANF for this program. See Item #8.

2. Building Child Care Capacity

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	10,000,000	0.00	0	0.00
TOTAL	0	0.00	0	0.00	10,000,000	0.00	0	0.00

The Governor recommends providing funding for increasing the child care workforce and building capacity to increase access to quality child care in the state.

3. Employer-Sponsored Child Care Grant Program

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	162,400	1.50	5,351,500	2.50
TOTAL	0	0.00	0	0.00	162,400	1.50	5,351,500	2.50

The Governor recommends providing funding to establish an employer-sponsored child care grant program to support businesses that choose to invest in child care for their employees.

4. Community-Based Four-Year-Old Kindergarten

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.

Children and Families

5. Transfer of Head Start State Supplement

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	6,264,100	0.00	6,264,100	0.00	6,264,100	0.00	6,264,100	0.00
TOTAL	6,264,100	0.00	6,264,100	0.00	6,264,100	0.00	6,264,100	0.00

The Governor recommends transferring the administration and associated funding of the Head Start State Supplement program from the Department of Public Instruction to the department to better align this program with child care. See Department of Public Instruction, Item #62.

6. Out-of-School Time Funding

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	11,500,000	0.00
TOTAL	0	0.00	0	0.00	0	0.00	11,500,000	0.00

The Governor recommends providing funding 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. See Department of Public Instruction, Item #63.

7. Child Care Water Safety Grant Program

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	7,100,000	0.00	0	0.00
TOTAL	0	0.00	0	0.00	7,100,000	0.00	0	0.00

The Governor recommends providing funding to establish a child care water safety grant program to aid child care providers in accessing safe drinking water in Milwaukee County.

Children and Families

8. TANF/CCDF Reestimate

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	26,528,700	0.00	24,187,900	0.00	99,347,700	4.00	132,714,600	4.00
PR-O	-76,500	0.00	-76,900	0.00	-76,500	0.00	-76,900	0.00
TOTAL	26,452,200	0.00	24,111,000	0.00	99,271,200	4.00	132,637,700	4.00

The Governor recommends funding for the Wisconsin Works (W-2) program, Wisconsin Shares child care program and other programs that serve families eligible for assistance under the Temporary Assistance for Needy Families (TANF) block grant program.

As allocated under s. 49.175, the Governor's budget includes \$161,320,100 GPR in each year. Federal funding, including the child care and development fund (CCDF) and TANF block grants, program revenue and segregated funds are also available for the program. Total revenues, adjusted for an anticipated federal TANF workforce participation penalty in federal FY26 and increased carryover, will be \$1,182,685,200 in FY26 and \$956,828,800 in FY27, and total expenditures will be \$900,717,200 in FY26 and \$934,084,100 in FY27, leaving a projected balance of \$22,744,700 at the end of FY27.

The table below outlines the Governor's recommended funding levels (all funds):

	<u>FY26</u>	<u>FY27</u>
W-2 Contracts		
<u>W-2 Benefits</u> : Funding to support projected W-2 benefits.	\$26,806,500	\$26,987,700
<u>W-2 Worker Supplement</u> : Funding for the worker supplement program for families who meet federal work participation requirements in unsubsidized employment after they transition to case management follow-up.	\$2,700,000	\$2,700,000
<u>W-2 Contracts</u> : Funding to support ongoing W-2 contracts, including the costs of subsidized employment placements, work support services, education and training, and agency administration.	\$58,892,400	\$59,071,200

Children and Families

Child Care

Direct Child Care Services: Funding to support the Wisconsin Shares child care subsidy program. This includes a program reestimate that allows provider payment rates to be within the statutory 75th percentile and caps copayments at 7 percent of a family's income, as federally required. \$438,582,000 \$459,111,600

The Governor recommends additional funding to create a sliding scale for copayments from 0 to 7 percent of a family's income. This also includes waiving copays for the state's most needy families under 150 percent of the federal poverty level.

The Governor's budget also continues funding to support quality and affordable child care in economically disadvantaged areas within the city of Milwaukee.

Quality Care for Quality Kids: Funding to support ongoing child care quality improvement activities, including funding for the continuation of the Child Care Counts quality improvement program to support child care providers. See Item #1. \$49,446,300 \$49,446,300

The Governor also recommends additional funding to support the previously federally-funded Early Childhood Health Consultation program.

Further, the Governor recommends additional funding for child care foundational training to ensure child care workers have the basic knowledge, skills and abilities needed to provide care and education to young kids.

Further, the Governor also recommends additional funding for tribal child care training and technical assistance to fill the gap of unmet child care needs in tribal areas.

In addition, the Governor's budget includes funding for the Wisconsin Out of School Time Alliance to offer school-age child care programs throughout the state with training, technical assistance and professional development around topics such as mental health and trauma-informed care.

Child Care State Administration and Licensing: Funding to support ongoing child care licensing and regulation, the department's costs associated with administering the Wisconsin Shares subsidy program, and child care quality improvement programs. This includes new funding to implement presumptive eligibility, copayment changes and 12-month authorizations. \$52,983,800 \$53,723,400

Further, the Governor recommends position authority and funding for three additional child care licensing staff to ensure licensure of child care providers is timely and one position in the Office of Legal Counsel that would provide additional support to the Division of Early Care and Education.

Children and Families

Other Payments to Individuals

Kinship Care: Funding to support the program that provides a monthly payment to a nonparent relative for the care and support of a child who would otherwise be at risk of abuse or neglect, if he or she were to remain at home. This includes cost-to-continue funding as well as increased funding for age-based rates, consistent with the proposed increase for foster care rates. See Item #17. \$45,686,700 \$53,125,600

Caretaker Supplement: Funding to support monthly cash benefits to Supplemental Security Income (SSI) recipients to support their dependent children. Amounts assume the most recent reestimate of expenses from the Department of Health Services and a program funding increase. See Department of Health Services, Item #83. \$19,262,100 \$19,262,100

Emergency Assistance: Funding for assistance to families facing a current emergency due to fire, flood, natural disaster, energy crisis or homelessness. \$10,414,400 \$10,141,300

Administrative Support

State Administration of Public Assistance: Funding for state administration of TANF programs, which includes state program staff responsible for planning, contracting and oversight of W-2 and related TANF programs. This item includes an increase for a new 1.0 FTE position for the Homeless Case Management Services Grant itemized below. \$25,258,600 \$25,707,800

The Governor also recommends funding to support enhancements and updates of the Benefits Recovery IT System (BRITS) project, including the addition of the Central Recoveries Enhanced System and the Emergency Assistance program as well as funding for system improvements for the Emergency Assistance program.

Public Assistance Program Fraud and Error Reduction: Ongoing funding to reimburse counties for program integrity, and W-2 and child care fraud investigation costs. \$605,500 \$605,500

Other Support Services

Transform Milwaukee Jobs and Transitional Jobs Initiatives: Funding for subsidized employment and related services for low-income individuals. This item includes additional funding to expand program eligibility by removing the criterion that requires individuals to be unemployed for at least four weeks before being eligible and the requirement that restricts individuals who are eligible for unemployment insurance (UI), but not receiving UI benefits. \$12,475,000 \$12,475,000

Children and Families

<u>Child Support Debt Reduction Program</u> : Creation of a child support debt reduction program to assist participating noncustodial parents in paying child support arrearage debts to custodial parents for the support of the child(ren).	\$3,472,000	\$6,944,000
<u>Jobs for America's Graduates</u> : Funding for Jobs for America's Graduates-Wisconsin to provide educational support and job or postsecondary readiness for TANF-eligible youth, including an increase to expand the program to additional schools.	\$2,000,000	\$2,000,000
<u>Grants for Civil Legal Services</u> : Funding to provide grants to the Wisconsin Trust Account Foundation, Inc., for programs that provide civil legal services to low-income families. This item includes additional funding and expands eligible legal services related to eviction matters.	\$4,500,000	\$4,500,000
<u>Grants to the Boys and Girls Clubs</u> : Funding for the Wisconsin Chapter of the Boys and Girls Clubs of America for programs that focus on study habits, intensive tutoring in math and English, and exposure to career options and role models, and that improve the social, academic and employment skills of TANF-eligible youth. This item includes additional funding for the Wisconsin After 3 program to improve literacy skills and math proficiency for low-income youth.	\$9,507,000	\$9,507,000
<u>Safety and Out-of-Home Placement Services</u> : Continued funding for services for families where the department determines that, if appropriate services are provided, the child may remain at home and for families with children in out-of-home care.	\$10,314,300	\$10,314,300
<u>Child Welfare Prevention Services</u> : Funding to reduce the incidence of child abuse and neglect, and to provide services for families who are at risk of having a child removed from the home due to abuse or neglect.	\$6,789,600	\$6,789,600
<u>Homeless Case Management Service Grants</u> : Funding for annual grants through the Department of Administration to certain shelters to provide intensive case management services to homeless families, focused on providing financial management, employment, school continuation, and enrolling unemployed or underemployed parents in appropriate work programs. This item includes increased funding for the grant program. See Department of Administration, Item #8.	\$1,000,000	\$1,000,000
<u>Earned Income Tax Credit</u> : Funding for the portion of the refundable tax credit for individuals who are TANF eligible. To partially offset the GPR cost of the proposed increase in the credit for filers with one dependent child and two dependent children beginning with tax year 2025, additional TANF funding is provided. See Shared Revenue and Tax Relief, Item #6.	\$100,907,800	\$101,558,500
<u>Programs Continuing at Base Funding</u> : Children First, General Education Development, Adult Literacy Grants, Community Grants, Fostering Futures, Prevention Services, Families and Schools Together, Grants to Youth Services, and Transfer to the Social Services Block Grant.	\$18,363,200	\$18,363,200

Children and Families

9. Expanded Transform Milwaukee Jobs and Transitional Jobs Programs

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	1,000,000	0.00	1,000,000	0.00
TOTAL	0	0.00	0	0.00	1,000,000	0.00	1,000,000	0.00

The Governor recommends providing state funding for the creation of an expanded Transform Milwaukee Jobs and Transitional Jobs programs, which will mirror the current Transform Milwaukee Jobs and Transitional Jobs programs while increasing access for individuals not eligible for TANF.

10. Skills Enhancement Grant

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	250,000	0.00	250,000	0.00
TOTAL	0	0.00	0	0.00	250,000	0.00	250,000	0.00

The Governor recommends increasing funding for the Skills Enhancement Grant, which helps low-income parents overcome barriers to employment. This increase is part of a package of homelessness prevention initiatives. See Department of Administration, Item #8.

11. Child Support Information Technology Modernization Project

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	5,971,100	0.00	9,373,400	0.00
PR-F	0	0.00	0	0.00	11,590,900	0.00	18,195,500	0.00
TOTAL	0	0.00	0	0.00	17,562,000	0.00	27,568,900	0.00

The Governor recommends providing funding for the child support information technology modernization project to implement a system that meets federal performance standards and can more quickly and easily accommodate changes in the child support landscape in the future.

Children and Families

12. Elimination of Birth Cost Recovery

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	650,000	0.00	650,000	0.00
PR-F	0	0.00	0	0.00	1,261,800	0.00	1,261,800	0.00
TOTAL	0	0.00	0	0.00	1,911,800	0.00	1,911,800	0.00

The Governor recommends ending the practice of birth cost recovery so that additional family resources go toward supporting the children. The Governor also recommends increasing funding to child support agencies in each fiscal year to offset the revenue loss.

13. Limiting Child Support for Out-of-Home Care

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	1,205,000	0.00
PR-F	0	0.00	0	0.00	0	0.00	665,000	0.00
TOTAL	0	0.00	0	0.00	0	0.00	1,870,000	0.00

The Governor recommends modifying the statutes to remove the requirement that child welfare agencies collect child support from families with children that enter certain out-of-home care placements with the goal that the additional resources can better support the child. The Governor also recommends providing an increase to Children and Family Aids to provide county child welfare agencies with funding to make up for the reduction in child support funds. The Governor further recommends providing one-time funds to make updates to the child welfare system to support the new approach.

14. Social Security Benefits for Children in Out-of-Home Care

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	3,000,000	0.00
TOTAL	0	0.00	0	0.00	0	0.00	3,000,000	0.00

The Governor recommends requiring child welfare agencies to screen, apply for and preserve benefits in trust accounts for a child in out-of-home care who receives Supplemental Security Income or Social Security. The Governor also recommends providing funding for the statewide management of the children trust accounts.

Children and Families

15. Children and Family Aids Increase

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	2,548,500	0.00	6,167,400	0.00
TOTAL	0	0.00	0	0.00	2,548,500	0.00	6,167,400	0.00

The Governor recommends increasing Children and Family Aids by 5 percent beginning in calendar year 2026, and by an additional 2 percent beginning in calendar year 2027.

16. State Support for Tribal Child Welfare

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	3,828,800	0.00	3,903,400	0.00
TOTAL	0	0.00	0	0.00	3,828,800	0.00	3,903,400	0.00

The Governor recommends increasing funding for tribal family services and high-cost out-of-home care placements to better support Native American children in the child welfare system.

17. Foster Care and Kinship Care Rate Changes

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	497,600	0.00	994,400	0.00
PR-F	0	0.00	0	0.00	214,100	0.00	427,900	0.00
TOTAL	0	0.00	0	0.00	711,700	0.00	1,422,300	0.00

The Governor recommends increasing the foster care age-based rates by 5 percent. The Governor also recommends allowing foster care level 1 caregivers and kinship caregivers to also receive these age-based rates. The Governor further recommends allowing foster care level 1 caregivers and kinship caregivers to qualify for sibling exceptional payments and one-time clothing allowances. See Item #8.

Children and Families

18. Specialized Congregate Care

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	2,657,500	0.00	2,710,700	0.00
TOTAL	0	0.00	0	0.00	2,657,500	0.00	2,710,700	0.00

The Governor recommends funding to support a program that provides out-of-home care in a congregate care setting for children with high acuity needs.

19. Subsidized Guardianship and Kinship Care Eligibility

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	2,633,300	0.00	2,633,300	0.00
TOTAL	0	0.00	0	0.00	2,633,300	0.00	2,633,300	0.00

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. The Governor also recommends a technical statutory modification to ensure like-kin kinship caregivers are eligible for the SHARES child care program.

20. Home Visiting Expansion

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	1,200,000	0.00	3,896,000	0.00
PR-F	0	0.00	0	0.00	0	0.00	104,000	0.00
TOTAL	0	0.00	0	0.00	1,200,000	0.00	4,000,000	0.00

The Governor recommends providing funding to expand home visiting services to additional counties and tribes in the state.

Children and Families

21. Triple P Online

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	0	0.00	0	0.00	1,538,300	0.00	1,538,300	0.00
TOTAL	0	0.00	0	0.00	1,538,300	0.00	1,538,300	0.00

The Governor recommends providing ongoing funding for online, evidence-based parenting programming.

22. Independent Living Supports

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	5,251,400	0.00	5,251,400	0.00
TOTAL	0	0.00	0	0.00	5,251,400	0.00	5,251,400	0.00

The Governor recommends increasing funding and expanding eligibility for independent living services to youth who are aging out of the out-of-home care system.

23. Runaway and Homeless Youth Supports

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	3,758,700	1.00	3,787,300	1.00
TOTAL	0	0.00	0	0.00	3,758,700	1.00	3,787,300	1.00

The Governor recommends providing position authority and increased funding for programs that serve runaway and homeless youth.

24. Milwaukee Child Welfare Quality Improvement Positions

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	141,200	1.84	188,200	1.84
PR-F	0	0.00	0	0.00	12,200	0.16	16,300	0.16
TOTAL	0	0.00	0	0.00	153,400	2.00	204,500	2.00

The Governor recommends providing position authority and funding to support quality improvements in the Division of Milwaukee Child Protective Services.

Children and Families

25. Milwaukee Child Welfare Reestimate

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	12,245,000	0.00	11,586,800	0.00	11,882,600	0.00	11,209,800	0.00
PR-F	136,300	0.00	-99,600	0.00	463,300	0.00	211,500	0.00
PR-O	-821,000	0.00	-821,000	0.00	-821,000	0.00	-821,000	0.00
TOTAL	11,560,300	0.00	10,666,200	0.00	11,524,900	0.00	10,600,300	0.00

The Governor recommends adjusting expenditure authority for child welfare expenditures within the Division of Milwaukee Child Protective Services to reflect increased expenditures and current caseload projections.

26. State Foster Care, Adoption Assistance, Subsidized Guardianship and Public Adoption Services Reestimate

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	-2,240,300	0.00	-1,390,600	0.00	-3,508,600	0.00	-3,112,900	0.00
PR-F	4,426,200	0.00	5,227,900	0.00	2,759,800	0.00	2,963,800	0.00
TOTAL	2,185,900	0.00	3,837,300	0.00	-748,800	0.00	-149,100	0.00

The Governor recommends adjusting expenditure authority for adoption assistance, state foster care, subsidized guardianships and public adoption services to reflect current caseload projections.

27. Youth Aids Increase

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	2,479,900	0.00	6,001,400	0.00
TOTAL	0	0.00	0	0.00	2,479,900	0.00	6,001,400	0.00

The Governor recommends providing a 5 percent increase to Community Youth and Family Aids beginning in calendar year 2026 and an additional 2 percent increase beginning in calendar year 2027 to ensure counties can provide quality services for youth.

Children and Families

28. Youth Aids Funding Modifications

The Governor recommends amending the department's youth justice statutes and appropriations to provide more flexibility in allocating Youth Aids funding.

29. Additional Funding for Juvenile Court Jurisdiction

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	5,000,000	0.00	5,000,000	0.00
TOTAL	0	0.00	0	0.00	5,000,000	0.00	5,000,000	0.00

The Governor recommends creating a new sum sufficient appropriation to reimburse counties for the increased costs associated with 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. See Circuit Courts, Item #8; and Department of Corrections, Item #7.

30. Juvenile Justice Reform Review Committee

The Governor recommends creating a Juvenile Justice Reform Review Committee at the department to study and provide recommendations to the department and the Department of Corrections on juvenile justice reforms. See Department of Corrections, Item #8.

31. Additional Resources for the Office of Legal Counsel

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	191,900	1.42	255,900	1.42
PR-F	0	0.00	0	0.00	78,400	0.58	104,500	0.58
TOTAL	0	0.00	0	0.00	270,300	2.00	360,400	2.00

The Governor recommends providing position and related expenditure authority for the department's Office of Legal Counsel to meet increasing workload. See Item #8.

Children and Families

32. Funding for Previous General Wage Adjustments Bills

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	916,000	0.00	916,000	0.00	916,000	0.00	916,000	0.00
PR-F	327,400	0.00	327,400	0.00	0	0.00	0	0.00
TOTAL	1,243,400	0.00	1,243,400	0.00	916,000	0.00	916,000	0.00

The Governor recommends providing additional funding to address increased costs of intra-agency chargebacks resulting from past general wage adjustments.

33. Program Revenue Reestimates

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
PR-F	2,153,600	0.00	2,173,700	0.00	2,153,600	0.00	2,173,700	0.00
PR-S	2,716,500	0.00	2,176,800	0.00	2,716,500	0.00	2,176,800	0.00
PR-O	493,000	0.00	657,400	0.00	493,000	0.00	657,400	0.00
TOTAL	5,363,100	0.00	5,007,900	0.00	5,363,100	0.00	5,007,900	0.00

The Governor recommends adjusting expenditure authority based on reestimates of funding.

34. Funding and Position Realignment

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	0	0.00	0	0.00	0	0.00	0	0.00
PR-F	-28,300	0.10	-28,300	0.10	-28,300	0.10	-28,300	0.10
PR-S	13,800	-0.10	13,800	-0.10	13,800	-0.10	13,800	-0.10
TOTAL	-14,500	0.00	-14,500	0.00	-14,500	0.00	-14,500	0.00

The Governor recommends reallocating funding and positions to more accurately reflect the needs and organizational structure of the department.

Children and Families

35. Standard Budget Adjustments

Source of Funds	Agency Request				Governor's Recommendations			
	FY26		FY27		FY26		FY27	
	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions
GPR	-69,500	0.00	-63,100	0.00	-69,500	0.00	-63,100	0.00
PR-F	1,093,400	0.00	1,083,700	-1.00	1,093,400	0.00	1,083,700	-1.00
PR-S	606,500	0.00	611,200	0.00	606,500	0.00	611,200	0.00
PR-O	42,500	0.00	42,900	0.00	42,500	0.00	42,900	0.00
TOTAL	1,672,900	0.00	1,674,700	-1.00	1,672,900	0.00	1,674,700	-1.00

The Governor recommends adjusting the department's base budget for: (a) turnover reduction (-\$1,417,500 in each year); (b) removal of noncontinuing elements from the base (-\$19,900 and -1.0 FTE position in FY27); (c) full funding of continuing position salaries and fringe benefits (\$3,050,000 in each year); (d) overtime (\$762,800 in each year); (e) night and weekend differential pay (\$142,800 in each year); and (f) full funding of lease and directed moves costs (-\$865,200 in FY26 and -\$843,500 in FY27)