

Part 1: Modification of Child Care Tuition Assistance to Serve More Low Income Children

Brief description of the idea: Modify the Tuition Assistance program to serve families at or below 185% of the Federal Poverty Level (FPL) that are already receiving Wisconsin Shares and cover the gap between what the maximum county payment and the cost of care at City accredited child care programs. Eligibility for the “scholarship” will be conducted 1-2 times per calendar year and would give families a guaranteed subsidy, regardless of what happens with their income or family situation. We would also reserve a limited pot of funds for families who would be eligible under our special circumstances category of eligibility.

Current state: Currently, tuition assistance serves approximately 25-30 children per month or approximately 40-45 over the course of the calendar year. These children are in families whose income is typically between 185% FPL to 300% FPL. Over the past four years, CDD staff and ECCEC member analysis has determined it is nearly impossible for families to have income within this range and pay for both child care and housing in Madison. Hence, we have seen decreasing interest in the existing program despite efforts to do extensive outreach and loosen eligibility requirements. There are some occasions wherein families are found eligible under the “special circumstances” category of eligibility. In these cases, income is disregarded due to the extenuating circumstances such as domestic violence, homelessness, etc. This special circumstance category would remain in the new iteration of the program.

Cost estimate: \$300,000 per year using existing funding

Timeframe and administrative details for rolling it out (prioritization): Planning for the change commenced in late 2020 and will continue in 2021 for a roll out in 2022. The first cohort of children would be funded for the 2022-2023 school year. Existing children in Tuition Assistance would be kept on the program until they dis-enroll or age out of care. Significant community outreach will be done to determine how to prioritize recipients of the funding because we anticipate more interest for this subsidy than available funds allow us to provide.

Number of children impacted: The average difference between the maximum Wisconsin Shares reimbursement and the average cost of care at an accredited program is \$300/month. Using that as an average, we could serve 75-80 children per year and continue to allow for limited special circumstances eligibility.

Areas of the City impacted: All areas of the City

Populations impacted: Children at or below 185% of FPL

City Departments/Divisions impacted: CDD

Collaborators/Partners in Implementation: Dane County, child care providers, community partners who refer families

Pros:

- More stability for families and child care providers
- Would allow access to high quality centers to the lowest income families
- More children could be served

- Maintains commitment to encouraging attendance at high quality programs
- If state subsidy levels rise, the more families could be served because less funding would be needed per family
- Allows for continued coverage of families in special circumstances that Wisconsin Shares may not cover (domestic violence, homelessness, undocumented children, etc.)

Cons:

- Families at the current eligibility band would no longer be eligible—we would allow for gradual attrition of these families as the children age out of care or no longer need care
- Some families may not be eligible for Wisconsin Share for other reasons
- Some families may not take part in Wisconsin Shares due to immigration status

Equity Considerations:

Who benefits?

- The lowest income families in Madison
- Families comfortable utilizing and accessing existing subsidy systems

Who's burdened?

- Families no longer eligible

Who's left out?

- Individuals who participate in some trainings that don't qualify for Wisconsin Shares eligibility
- Individuals looking for work
- Individuals in school but not on W-2 or Wisconsin Shares

Do we need any more information to make a good decision? From whom?

- Need to do community outreach to determine prioritization of applications