

December 11, 2014

Eloise Anderson, Secretary Wisconsin Department of Children and Families 201 East Washington Avenue P.O. Box 8916 Madison, WI 53708-8916

Dear Secretary Anderson:

As state legislators who are committed to quality early education and supporting our state's child care industry, we encourage you to use funding that was allocated for the Wisconsin Shares program in the current biennium, but is not being spent, to increase child care reimbursement rates for child care providers in the Shares program.

According to a unanimous, bipartisan motion passed by the Joint Finance Committee earlier this year, the state had \$22.7 million in unspent child care funds this biennium. After spending \$5.3 million for a recent 2% increase, that leaves at least \$17.4 million available to be spent this biennium. We strongly encourage you to allocate the remainder of these funds where they were intended: supporting early education in Wisconsin.

Both state law and federal guidelines indicate that child care reimbursement rates should be set so they cover at least 75% of available slots. Unfortunately, the state's current reimbursement rates don't even come close. The 2% increase will get rates within 18% of the 75th percentile market rate in each county. This increase has had very little impact on most early education providers.

A major employer in the state that plays an essential role in providing quality early education and workforce development, Wisconsin's early education industry can best be described as being on life support. Because Wisconsin Shares' rates were frozen for seven years and just recently received minimal increases, most centers are struggling to survive.

The model of a five-star center under YoungStar, Wisconsin's quality rating and improvement system, is unsustainable under current funding levels. As one Senator recently noted, "the more stars you have, the better the chance you are going to go broke."

If Wisconsin is truly committed to quality early education, we need to increase reimbursement rates. We look forward to your response to this request.

Sincerely.

GARY HEBL

State Representative 46th Assembly District JOCASTA ZAMARRIPA

State Representative 8th Assembly District

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State Representative
20th Assembly District

CORY MASON
State Representative
66th Assembly District

JUL BILLINGS
State Representative
95th Assembly District

JANIS RINGHAND State Representative 45th Assembly District

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DANA WACHS State Representative 91st Assembly District

Katrina Shankland
KATRINA SHANKLAND

KATRINA SHANKLAND State Representative 71st Assembly District

AND JORGENSEN State Representative 43rd Assembly District Debra Kolste

DEBRA KOLSTE State Representative 44th Assembly District

TERESE BERCEAU State Representative 77th Assembly District

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SONDY POPE State Representative 80th Assembly District

TOD OHNSTAD
State Representative
65th Assembly District

LATONYA JOHNSON State Representative 17th Assembly District

CHRIS TAYLOR State Representative 76th Assembly District

PETER BARCA
State Representative
64th Assembly District

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JOSH ZEPNICK State Representative 9th Assembly District

MARK MILLER

Senator

16th Senate District

CHRIS LARSON Senator 7th Senate District

LENA TAYLOR

Senator

cc:

4th Senate District

Governor Scott Walker

EVAN GOYKE State Representative 18th Assembly District

Senator

6th Senate District

JENNIFER SHILLING

Senator

32nd Senate District

QULIE LASS

Senator

24th Senate District