



**POLICY SNAPSHOT**  
**Wisconsin Shares Child Care Subsidy Overview**

Wisconsin Shares is a child care subsidy program that helps low-income families in Wisconsin afford child care while parents are working, in school, or participating in approved work training programs. Wisconsin Shares is funded by the Child Care and Development Fund (CCDF). There are certain eligibility requirements to qualify for Wisconsin Shares:

- Children receiving subsidy must be U.S. citizens or qualifying immigrants
- Family income must be less than 200% of the Federal Poverty Level (federal rules cap income eligibility at 85% of State Median Income, or SMI)
- After eligibility is established, family income can increase up to 85% of SMI before they would no longer be eligible for the program.
- Parents/caregivers must be engaged in an approved activity like work, school or employment training.<sup>1</sup>

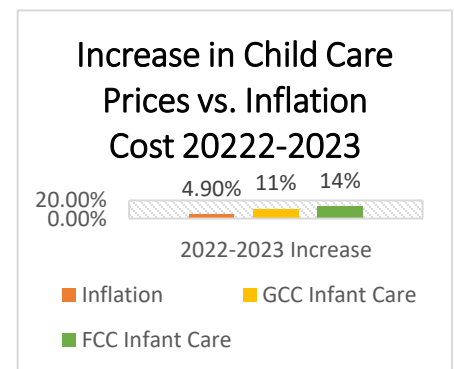
Wisconsin Initial Income eligibility limit in dollars and as percentage of State Median Income (SMI)				
Eligibility as percentage of SMI Family of 3	Income Eligibility Threshold (monthly) - Family of 3	Eligibility as percentage of SMI Family of 4	Income Eligibility Threshold (monthly) - Family of 4	State Rank in Eligibility
57%	\$4,303	58%	\$5,200	33

Retrieved from Administration of Children and Families<sup>2</sup>

The subsidy rate has not been adequately raised in the past decade, making it more difficult for families to pay for care. As such, less than 20% of eligible families use Wisconsin Shares.<sup>3</sup> In 2022, there was a substantial increase of the subsidy rate, aligning it with the benchmark recommended by federal guidelines of 75%. This means the subsidy amount could afford 75% of the care slots within a given community. The following year, that subsidy rate only covered 50% of available care due to the rising cost of child care tuition in the private market.<sup>4</sup>

Wisconsin families with infants in center-based care saw a 11% increase in monthly tuition costs, while those with infants in family-based care saw a 14% increase. These rate increases coincided with the 50% reduction in Child Care Counts payments to child care programs. Raising tuition was necessary to make up for the reduction in revenue.

Currently, the Administration for Children and Families (ACF) found rates for infant care in Wisconsin have already dropped to 45%, making the state out of compliance with federal CCDF rules and state statute.<sup>5</sup> Increased funding for child care subsidies or vouchers has been found to increase child care supply.



<sup>1</sup> Department of Children and Families, <https://dcf.wisconsin.gov/wishares/apply>

<sup>2</sup> Administration of Children and Families, <https://www.acf.hhs.gov/sites/default/files/documents/occ/CCDF-Family-Income-Eligibility-Levels-by-State.pdf>

<sup>3</sup> Department of Children and Families, <https://dcf.wisconsin.gov/wishares/stats>

<sup>4</sup> Department of Children and Families, <https://dcf.wisconsin.gov/files/publications/pdf/5793.pdf>

<sup>5</sup> Wisconsin Statute [49.155\(6\)\(a\)](#) states the department shall set the rates so that at least 75 percent of the number of places for children within the licensed capacity of all child care providers can be purchased by eligible individuals under this section. Administration of Children and families CCDF final rule recommends subsidy affordability to be at or above 75 percent has determined that any payment rates set at less than the 50th percentile were insufficient to meet the equal access requirements of CCDF. [https://www.federalregister.gov/documents/2024/03/01/2024-04139/improving-child-care-access-affordability-and-stability-in-the-child-care-and-development-fund-ccdf?utm\\_source=chatgpt.com#h-37](https://www.federalregister.gov/documents/2024/03/01/2024-04139/improving-child-care-access-affordability-and-stability-in-the-child-care-and-development-fund-ccdf?utm_source=chatgpt.com#h-37)