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## **Birth Cost Recovery Update - "The Birth Tax"**

**May 28, 2020**

Hello Partners,

As you know, ABC for Health is dedicated to tracking the birth cost recovery policy in Wisconsin. This policy, we call it the "birth tax," is one that is especially important to keep our partners engaged and up to date as we work to eliminate the policy statewide.

The Milwaukee County Board of Supervisors met on Thursday, May 28, but they did **not** vote on the Resolution to abolish the Birth Tax. They have instead referred the Resolution to the Board's Committee on Finance.

### **Milwaukee County Board Pauses – No Decision on Resolution to Discontinue BCR**

The Resolution requesting the Milwaukee County Department of Child Support Services discontinue the discretionary practice of pursuing birth cost recovery collections in child support cases in Milwaukee County was before the full County Board for a vote on May 28, with the recommendation of adoption from the Health and Human Needs committee. Supervisor Czarnecki was the first to speak on the Resolution, making a motion for it to be referred to the Committee on Finance to review the fiscal impact of eliminating BCR on Milwaukee County. Supervisor Logsdon seconded the motion. After short discussion, the motion to refer to Committee was approved 12-6 and the issue was no longer discussed. Video of the meeting is [posted](#) – discussion of the resolution begins at the 42:50 minute mark.

### **Notes on the County Board Discussion:**

*"Birth Cost Recovery is Fundamentally Flawed." –Supervisor Clancy*

The BCR resolution was item #39 on the Board's robust agenda. While the Board was accepting motions to adopt the balance of Committee reports in broad aye or no votes, item #39 was called out to be set aside for separate action.

Supervisor Czarnecki said he was looking at the BCR Resolution, and thought there were "good arguments on both sides." He said he was concerned about the fiscal impact (of eliminating BCR) on Milwaukee County, especially in its current financial state. He said he was new to the Board and had a few questions. He made a motion to refer the Resolution the Committee on Finance to review the fiscal impact on Milwaukee County. Sup. Logsdon seconded the motion.

Supervisor Supreme Moore Omokunde said he wanted to add some narrative to this discussion. He said in the (Health and Human Needs) Committee meeting, fiscal impact was discussed, and \$2.5 Million was being sent to the state, not to Milwaukee County, "we are sending a large amount to the State."

Moore Omokunde said the state of BadgerCare was brought up. And he said there are other ways BadgerCare can be made more whole other than having individuals paying BCR to the state. Even more, fewer of those dollars are going to mothers or caregivers.

Sup. Clancy said "the very concept of BCR seems flawed." He continued, "Unfortunately, some of that conversation focused on money going to child support and sent to BadgerCare. He clarified



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that both are good programs, but BCR “shouldn’t be how child support is paid for.” He repeated, “Birth Cost Recovery is flawed,” and he urged the Board to not send the resolution to the Committee on Finance.

Clancy continued that the resolution does have a fiscal impact, but repeated for a third time, “Birth Cost Recovery is fundamentally flawed.”

Clancy was concerned that there was no demographic data shared from the Child support office on who is shouldering this expense.

Sup. Logsdon said the revenue lost was something to look at. She referenced Jim Sullivan’s report and said “we aren’t collecting from people who don’t have the monies,” but there are “several that do have the monies, they’re in there, some of them making approximately \$150,000/year.”<sup>1</sup>

Upon a roll call vote, there were 12 ayes to send the Resolution to the Committee on Finance, and 6 noes. The motion carried.

- **Voting Aye:** Czarnezki (11<sup>th</sup>), Haas (14<sup>th</sup>), Johnson, Jr. (13<sup>th</sup>), Logsdon (9<sup>th</sup>), Martin (7<sup>th</sup>), Ortiz-Velez (12<sup>th</sup>), Rolland (6<sup>th</sup>), Shea (8<sup>th</sup>), Staskunas (17<sup>th</sup>), Wasserman (3<sup>rd</sup>), Weishan, Jr. (16<sup>th</sup>), and Chair Nicholson (5<sup>th</sup>).
- **Voting No:** Clancy (4<sup>th</sup>), Cullen (15<sup>th</sup>), Goodwin (18<sup>th</sup>), Taylor (2<sup>nd</sup>), Moore Omokunde (10<sup>th</sup>), Sumner (1<sup>st</sup>)

#### **Next Steps:**

The next regular meeting for the Committee on Finance is Thursday, June 18, 2020, at 9:30 a.m. Committee meetings and agendas will be posted to the [County Legislative Information Center](#).

The next regular meeting of the County Board is the following week, Thursday, June 25, 2020 at 9:30am.

#### **Contacting the Committee:**

The members of the Finance and Audit Committee can be contacted via email – follow the prompts on the [Committee webpage](#).

Typically, the Committee will receive public written comments submitted by email to all members of the Committee on Finance and Audit via [F&A@milwaukeecountywi.gov](mailto:F&A@milwaukeecountywi.gov). We will confirm this once a formal meeting agenda is posted.

#### **Read More:**

ABC for Health has posted a resource to our [webpage](#) called “[Milwaukee County Must End the Birth Tax](#)”

This update is for informational purposes only.

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<sup>1</sup> The issue of “higher income recipients” was addressed in a [January 2020 report](#) from Child Support to the Health and Human Needs Committee, wherein only **one** father with a judgement from the 2019 cases identified had an income over \$66,000 annually. There were **none** with incomes at “\$150,000 a year.”



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Regards,  
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