

**BILL**

1 recipients under s. 49.395, and, if the department of health services contracts with  
2 the department under sub. (5), the Medical Assistance program under subch. IV, ~~the~~  
3 ~~food stamp program under 7 USC 2011 to 2036~~, and the Badger Care health care  
4 program under s. 49.665.

5 **SECTION 1408.** 49.197 (4) of the statutes is amended to read:

6 49.197 (4) COUNTY AND TRIBAL ERROR REDUCTION. If the department of health  
7 services contracts with the department under sub. (5), the department shall provide  
8 funds from the appropriation under s. 20.437 (2) (kx) to counties and governing  
9 bodies of federally recognized American Indian tribes administering Medical  
10 Assistance under subch. IV, the food stamp program under 7 USC 2011 to 2036, ~~the~~  
11 ~~supplemental security income payments program under s. 49.77~~, ~~the program~~  
12 ~~providing payments for the support of children of supplemental security income~~  
13 ~~recipients under s. 49.775~~, and the Badger Care health care program under s. 49.665,  
14 as applicable, to offset administrative costs of reducing payment errors in those  
15 programs.

16 **SECTION 1409.** 49.197 (4) of the statutes, as affected by 2011 Wisconsin Act ....  
17 (this act), is amended to read:

18 49.197 (4) COUNTY AND TRIBAL ERROR REDUCTION. If the department of health  
19 services contracts with the department under sub. (5), the department shall provide  
20 funds from the appropriation under s. 20.437 (2) (kx) to counties and governing  
21 bodies of federally recognized American Indian tribes administering Medical  
22 Assistance under subch. IV, ~~the food stamp program under 7 USC 2011 to 2036~~, and  
23 the Badger Care health care program under s. 49.665, as applicable, to offset  
24 administrative costs of reducing payment errors in those programs.

25 **SECTION 1410.** 49.197 (5) of the statutes is amended to read:

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1           49.197 (5) ~~CONTRACTS FOR MEDICAL ASSISTANCE, AND FOOD STAMPS, SUPPLEMENTAL~~  
2 ~~SECURITY INCOME, AND CARETAKER SUPPLEMENT.~~ Notwithstanding s. 49.845 (1) and (2),  
3 the department of health services may contract with the department to investigate  
4 suspected fraudulent activity on the part of recipients of medical assistance under  
5 subch. IV, food stamp benefits under the food stamp program under 7 USC 2011 to  
6 2036, ~~supplemental security income payments under s. 49.77, payments for the~~  
7 ~~support of children of supplemental security income recipients under s. 49.775, and~~  
8 health care benefits under the Badger Care health care program under s. 49.665 and  
9 to conduct activities to reduce payment errors in the Medical Assistance program  
10 under subch. IV, the food stamp program under 7 USC 2011 to 2036, the  
11 ~~supplemental security income payments program under s. 49.77, the program~~  
12 ~~providing payments for the support of children of supplemental security income~~  
13 ~~recipients under s. 49.775, and the Badger Care health care program under s. 49.665,~~  
14 as provided in this section.

15           **SECTION 1411.** 49.197 (5) of the statutes, as affected by 2011 Wisconsin Act ....  
16 (this act), is amended to read:

17           49.197 (5) ~~CONTRACTS FOR MEDICAL ASSISTANCE AND FOOD STAMPS.~~  
18 Notwithstanding s. 49.845 (1) and (2), the department of health services may  
19 contract with the department to investigate suspected fraudulent activity on the  
20 part of recipients of medical assistance under subch. IV, ~~food stamp benefits under~~  
21 ~~the food stamp program under 7 USC 2011 to 2036,~~ and health care benefits under  
22 the Badger Care health care program under s. 49.665 and to conduct activities to  
23 reduce payment errors in the Medical Assistance program under subch. IV, ~~the food~~  
24 ~~stamp program under 7 USC 2011 to 2036,~~ and the Badger Care health care program  
25 under s. 49.665, as provided in this section.

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1           **SECTION 1412.** 49.22 (6) of the statutes is amended to read:

2           49.22 (6) The department shall establish, pursuant to federal and state laws,  
3 rules and regulations, a uniform system of fees for services provided under this  
4 section to individuals not receiving aid under s. 48.645, 49.19, 49.47, or 49.471;  
5 benefits under s. 49.148, 49.155, or ~~49.79~~ 49.37; foster care maintenance payments  
6 under 42 USC 670 to 679a; or kinship care payments under s. 48.57 (3m) or  
7 long-term kinship care payments under s. 48.57 (3n). The system of fees may take  
8 into account an individual's ability to pay. Any fee paid and collected under this  
9 subsection may be retained by the county providing the service except for the fee  
10 specified in 42 USC 653 (e) (2) for federal parent locator services.

11           **SECTION 1413.** 49.26 (1) (g) 12. of the statutes is repealed.

12           **SECTION 1414.** 49.26 (1) (gm) 1. c. of the statutes is amended to read:

13           49.26 (1) (gm) 1. c. Dropouts, as defined in s. ~~118.153 (1) (b)~~ 115.001 (2m),  
14 including individuals who were dropouts and reenrolled in school in the same or  
15 immediately succeeding semester in which they dropped out of school.

16           **SECTION 1415.** 49.265 (4) (a) of the statutes is amended to read:

17           49.265 (4) (a) The department shall distribute the federal community services  
18 block grant funds received under 42 USC 9903 and ~~deposited in~~ credited to the  
19 ~~appropriations~~ appropriation account under s. 20.437 (1) ~~(me) and (md)~~ (2) (mg).

20           **SECTION 1416.** 49.32 (7) (b) of the statutes is amended to read:

21           49.32 (7) (b) The department shall conduct a program to periodically match the  
22 records of recipients of aid to families with dependent children under s. 49.19 and  
23 recipients of benefits under the supplemental nutrition assistance program under 7  
24 USC 2011 to 2036 and, if the department of health services contracts with the  
25 department under s. 49.197 (5), recipients of medical assistance under subch. IV and

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1 ~~food stamp benefits under the food stamp program under 7 USC 2011 to 2036~~ with  
2 the records of recipients under those programs in other states. If an agreement with  
3 the other states can be obtained, matches with records of states contiguous to this  
4 state shall be conducted at least annually.

5 **SECTION 1417.** 49.32 (7) (c) of the statutes is amended to read:

6 49.32 (7) (c) The department shall conduct a program to periodically ~~match~~  
7 review the address records of recipients of aid to families with dependent children  
8 under s. 49.19 and recipients of benefits under the supplemental nutrition assistance  
9 program under 7 USC 2011 to 2036 and, if the department of health services  
10 contracts with the department under s. 49.197 (5), recipients of medical assistance  
11 under subch. IV ~~and food stamp benefits under the food stamp program under 7 USC~~  
12 ~~2011 to 2036~~ to verify residency and to identify recipients receiving duplicate or  
13 fraudulent payments.

14 **SECTION 1418.** 49.32 (7) (d) of the statutes is amended to read:

15 49.32 (7) (d) The department, with assistance from the department of  
16 corrections, shall conduct a program to periodically match the records of persons  
17 confined in state correctional facilities with the records of recipients of aid to families  
18 with dependent children under s. 49.19 and benefits under the supplemental  
19 nutrition assistance program under 7 USC 2011 to 2036 and, if the department of  
20 health services contracts with the department under s. 49.197 (5), recipients of  
21 medical assistance under subch. IV ~~and food stamp benefits under the food stamp~~  
22 ~~program under 7 USC 2011 to 2036~~ to identify recipients who may be ineligible for  
23 benefits.

24 **SECTION 1419.** 49.32 (10) (a) (intro.) of the statutes is amended to read:

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1           49.32 (10) (a) (intro.) Each county department under s. 46.215, 46.22, or 46.23  
2 may release the current address of a recipient of ~~food stamps~~ supplemental nutrition  
3 assistance program benefits under s. 49.37 or of aid under s. 49.19, and each  
4 Wisconsin works agency may release the current address of a participant in  
5 Wisconsin works under ss. 49.141 to 49.161, to a law enforcement officer if the officer  
6 meets all of the following conditions:

7           **SECTION 1420.** 49.35 (1) (bm) of the statutes is amended to read:

8           49.35 (1) (bm) All records of the department relating to aid provided under s.  
9 49.19 or 49.39 are open to inspection at reasonable hours by members of the  
10 legislature who require the information contained in the records in pursuit of a  
11 specific state legislative purpose. All records of any county relating to aid provided  
12 under s. 49.19 or 49.39 are open to inspection at reasonable hours by members of the  
13 board of supervisors of the county or the governing body of a city, village or town  
14 located in the county who require the information contained in the records in pursuit  
15 of a specific county or municipal legislative purpose. The right to records access  
16 provided by this paragraph does not apply if access is prohibited by federal law or  
17 regulation or if this state is required to prohibit such access as a condition precedent  
18 to participation in a federal program in which this state participates.

19           **SECTION 1421.** 49.37 (1m) of the statutes is created to read:

20           49.37 (1m) ADMINISTRATION BY DEPARTMENT. The department shall administer,  
21 and may enter into contracts for the administration of, the supplemental nutrition  
22 assistance program in this state. Administration of the supplemental nutrition  
23 assistance program includes all of the following:

24           (a) Receiving applications.

25           (b) Determining eligibility.

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1 (c) Conducting fraud investigation and fraud prevention activities.

2 (d) Implementing error reduction procedures.

3 (e) Recovering overpayments of benefits.

4 **SECTION 1422.** 49.43 (1e) of the statutes is amended to read:

5 49.43 (1e) "Accommodated person" means any person in a hospital or in a  
6 skilled nursing facility or intermediate care facility, as defined in Title XIX of the  
7 social security act, who would have been eligible for benefits under s. 49.19 or ~~49.77~~  
8 49.39 or federal Title XVI if the person were not in such a hospital or facility, and any  
9 person in such an institution who can be found eligible for Title XIX under the social  
10 security act.

11 **SECTION 1423.** 49.45 (2) (a) 3. of the statutes is amended to read:

12 49.45 (2) (a) 3. Determine the eligibility of persons for medical assistance,  
13 rehabilitative, and social services under ss. 49.46, 49.468, 49.47, and 49.471 and  
14 rules and policies adopted by the department and may, under a contract under s.  
15 49.78 (2), delegate all, or any portion, of this function to ~~the county department under~~  
16 ~~s. 46.215, 46.22, or 46.23~~ or a tribal governing body.

17 **SECTION 1424.** 49.45 (3) (a) of the statutes is amended to read:

18 49.45 (3) (a) Reimbursement shall be made to each county department under  
19 ss. 46.215, 46.22, and 46.23 for ~~any administrative services performed in the Medical~~  
20 ~~Assistance program on the basis of s. 49.78 (8).~~ For purposes of reimbursement  
21 ~~under this paragraph,~~ assessments completed under s. 46.27 (6) (a) ~~are~~  
22 ~~administrative services performed in the Medical Assistance program.~~

23 **SECTION 1425.** 49.45 (5) (b) 1. (intro.) of the statutes is amended to read:

24 49.45 (5) (b) 1. (intro.) Upon receipt of a timely petition under par. (a) the  
25 department shall give the applicant or recipient reasonable notice and opportunity

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1 for a fair hearing. The department may make such additional investigation as it  
2 considers necessary. Notice of the hearing shall be given to the applicant or recipient  
3 and, if a county department under s. 46.215, 46.22, or 46.23 is responsible for making  
4 made the medical assistance determination, to the county clerk of the county. The  
5 county may be represented at such hearing. The department shall render its decision  
6 as soon as possible after the hearing and shall send a certified copy of its decision to  
7 the applicant or recipient, and to the county clerk, ~~and to any county officer charged~~  
8 ~~with administration of the Medical Assistance program. The decision of the~~  
9 ~~department shall have the same effect as an order of a county officer charged with~~  
10 ~~the administration of the Medical Assistance program of the county that made the~~  
11 medical assistance determination. The decision shall be final, but may be revoked  
12 or modified as altered conditions may require. The department shall deny a petition  
13 for a hearing or shall refuse to grant relief if:

14 **SECTION 1426.** 49.45 (5) (b) 2. (intro.) of the statutes is amended to read:

15 49.45 (5) (b) 2. (intro.) If a recipient requests a hearing within the timely notice  
16 period specified in 42 CFR 431.231 (c), medical assistance coverage shall not be  
17 suspended, reduced, or discontinued until a decision is rendered after the hearing  
18 but medical assistance payments made pending the hearing decision may be  
19 recovered by the department if the contested decision or failure to act is upheld. If  
20 a county department is responsible for making made the medical assistance  
21 determination, the department shall notify the county department of the county in  
22 which the recipient resides that the recipient has requested a hearing. Medical  
23 assistance coverage shall be suspended, reduced, or discontinued if:

24 **SECTION 1427.** 49.45 (5m) (am) of the statutes is amended to read:

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1           49.45 (5m) (am) Notwithstanding sub. (3) (e), from the appropriation accounts  
2 under s. 20.435 (4) (b), (gm), (o), (w) and (xc), the department shall distribute not  
3 more than \$5,000,000 in each fiscal year, to provide supplemental funds to rural  
4 hospitals that, as determined by the department, have high utilization of inpatient  
5 services by patients whose care is provided from governmental sources, except that  
6 the department may not distribute funds to a rural hospital to the extent that the  
7 distribution would exceed any limitation under 42 USC 1396b (i) (3).

8           **SECTION 1428.** 49.45 (6m) (a) 6. of the statutes is amended to read:

9           49.45 (6m) (a) 6. "Resource Utilization Groupings III" means a comparative  
10 resource utilization grouping that classifies each facility resident based on  
11 information obtained from performing, for the resident, a minimum data set  
12 assessment developed by the federal Centers for Medicare and Medicaid Services.

13           **SECTION 1429.** 49.45 (6m) (ag) (intro.) of the statutes is amended to read:

14           49.45 (6m) (ag) (intro.) Payment for care provided in a facility under this  
15 subsection made under s. 20.435 (4) (b), (gm), (o), (pa), or (w) shall, except as provided  
16 in pars. (bg), (bm), and (br), be determined according to a prospective payment  
17 system updated annually by the department. The payment system shall implement  
18 standards that are necessary and proper for providing patient care and that meet  
19 quality and safety standards established under subch. II of ch. 50 and ch. 150. The  
20 payment system shall reflect all of the following:

21           **SECTION 1430.** 49.45 (6m) (ag) 3p. a. of the statutes is amended to read:

22           49.45 (6m) (ag) 3p. a. The system ~~shall~~ may incorporate acuity measurements  
23 under the most recent Resource Utilization Groupings III methodology to determine  
24 factors for case-mix adjustment.

25           **SECTION 1431.** 49.45 (6tw) of the statutes is amended to read:

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1           49.45 (6tw) PAYMENTS TO CITY HEALTH DEPARTMENTS. From the appropriation  
2           account under s. 20.435 (7) (b), if the department selects the payment procedure  
3           under s. 49.45 (52) (a), the department may make payments to local health  
4           departments, as defined under s. 250.01 (4) (a) 3. Payment under this subsection to  
5           such a local health department may not exceed on an annualized basis payment  
6           made by the department to the local health department under s. 49.45 (6t), 2003  
7           stats., for services provided by the local health department in 2002.

8           **SECTION 1432.** 49.45 (6v) (b) of the statutes is amended to read:

9           49.45 (6v) (b) The department shall, each year, submit to the joint committee  
10          on finance a report for the previous fiscal year, except for the 1997-98 fiscal year, that  
11          provides information on the utilization of beds by recipients of medical assistance in  
12          facilities and a discussion and detailed projection of the likely balances,  
13          expenditures, encumbrances and carry over of currently appropriated amounts in  
14          the appropriation accounts under s. 20.435 (4) (b), (gm), and (o).

15          **SECTION 1433.** 49.45 (6x) of the statutes is repealed.

16          **SECTION 1434.** 49.45 (6y) (a) of the statutes is amended to read:

17          49.45 (6y) (a) Notwithstanding sub. (3) (e), from the appropriation accounts  
18          under s. 20.435 (4) (b), (gm), (o), and (w), the department may distribute funding in  
19          each fiscal year to provide supplemental payment to hospitals that enter into a  
20          contract under s. 49.02 (2) to provide health care services funded by a relief block  
21          grant, as determined by the department, for hospital services that are not in excess  
22          of the hospitals' customary charges for the services, as limited under 42 USC 1396b  
23          (i) (3). If no relief block grant is awarded under this chapter or if the allocation of  
24          funds to such hospitals would exceed any limitation under 42 USC 1396b (i) (3), the

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1 department may distribute funds to hospitals that have not entered into a contract  
2 under s. 49.02 (2).

3 **SECTION 1435.** 49.45 (6z) (a) (intro.) of the statutes is amended to read:

4 49.45 (6z) (a) (intro.) Notwithstanding sub. (3) (e), from the appropriation  
5 accounts under s. 20.435 (4) (b), (gm), (o), and (w), the department may distribute  
6 funding in each fiscal year to supplement payment for services to hospitals that enter  
7 into indigent care agreements, in accordance with the approved state plan for  
8 services under 42 USC 1396a, with relief agencies that administer the medical relief  
9 block grant under this chapter, if the department determines that the hospitals serve  
10 a disproportionate number of low-income patients with special needs. If no medical  
11 relief block grant under this chapter is awarded or if the allocation of funds to such  
12 hospitals would exceed any limitation under 42 USC 1396b (i) (3), the department  
13 may distribute funds to hospitals that have not entered into indigent care  
14 agreements. The department may not distribute funds under this subsection to the  
15 extent that the distribution would do any of the following:

16 **SECTION 1436.** 49.45 (8) (b) of the statutes is amended to read:

17 49.45 (8) (b) Reimbursement under s. 20.435 (4) (b), (gm), (o), and (w) for home  
18 health services provided by a certified home health agency or independent nurse  
19 shall be made at the home health agency's or nurse's usual and customary fee per  
20 patient care visit, subject to a maximum allowable fee per patient care visit that is  
21 established under par. (c).

22 **SECTION 1437.** 49.45 (8r) of the statutes is amended to read:

23 49.45 (8r) PAYMENT FOR CERTAIN OBSTETRIC AND GYNECOLOGICAL CARE. The rate  
24 of payment for obstetric and gynecological care provided in primary care shortage  
25 areas, as defined in s. ~~36.60~~ 37.60 (1) (cm), or provided to recipients of medical

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1 assistance who reside in primary care shortage areas, that is equal to 125% of the  
2 rates paid under this section to primary care physicians in primary care shortage  
3 areas, shall be paid to all certified primary care providers who provide obstetric or  
4 gynecological care to those recipients.

5 **SECTION 1438.** 49.45 (19) (bm) of the statutes is amended to read:

6 49.45 (19) (bm) The department ~~or the county department under s. 46.215 or~~  
7 ~~46.22~~ shall notify applicants of the requirements of this subsection at the time of  
8 application.

9 **SECTION 1439.** 49.45 (24m) (intro.) of the statutes is amended to read:

10 49.45 (24m) (intro.) From the appropriation accounts under s. 20.435 (4) (b),  
11 (gm), (o), and (w), in order to test the feasibility of instituting a system of  
12 reimbursement for providers of home health care and personal care services for  
13 medical assistance recipients that is based on competitive bidding, the department  
14 shall:

15 **SECTION 1440.** 49.45 (24r) (a) of the statutes is renumbered 49.45 (24r).

16 **SECTION 1441.** 49.45 (24r) (b) of the statutes is repealed.

17 **SECTION 1442.** 49.45 (34) of the statutes is amended to read:

18 49.45 (34) MEDICAL ASSISTANCE MANUAL. The department shall prepare a  
19 medical assistance manual that is clear, comprehensive and consistent with this  
20 subchapter and 42 USC 1396a to 1396u and shall, no later than July 1, 1992, provide  
21 ~~the manual to counties for use by county employees who administer the medical~~  
22 ~~assistance program.~~

23 **SECTION 1443.** 49.45 (51) (a) of the statutes is amended to read:

24 49.45 (51) (a) By November 1 annually, the department shall provide to the  
25 department of revenue information concerning the estimated amounts of

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1 supplements payable from the appropriation accounts under s. 20.435 (4) (b) and  
2 (gm) to specific local governmental units for the provision of transportation for  
3 medical care, as specified under s. 49.46 (2) (b) 3., during the fiscal year. Beginning  
4 November 1, 2004, the information that the department provides under this  
5 paragraph shall include any adjustments necessary to reflect actual claims  
6 submitted by service providers in the previous fiscal year.

7 **SECTION 1444.** 49.45 (52) (title) of the statutes is amended to read:

8 49.45 (52) (title) PAYMENT ADJUSTMENTS; FEDERAL FUNDING FOR CERTAIN SERVICES.

9 **SECTION 1445.** 49.45 (52) of the statutes is renumbered 49.45 (52) (a) 1. and  
10 amended to read:

11 49.45 (52) (a) 1. Beginning on January 1, 2003 If the department provides the  
12 notice under par. (c) selecting the payment procedure in this paragraph, the  
13 department may, from the appropriation account under s. 20.435 (7) (b), make  
14 Medical Assistance payment adjustments to county departments under s. 46.215,  
15 46.22, 46.23, ~~or~~ 51.42, or 51.437 or to local health departments, as defined in s. 250.01  
16 (4), as appropriate, for covered services under s. 49.46 (2) (a) 2. and 4. d. and f. and  
17 (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13., 15., and 16., except for  
18 services specified under s. 49.46 (2) (b) 6. b. and c. provided to children participating  
19 in the early intervention program under s. 51.44. Payment adjustments under this  
20 subsection paragraph shall include the state share of the payments. The total of any  
21 payment adjustments under this subsection paragraph and Medical Assistance  
22 payments made from appropriation accounts under s. 20.435 (4) (b), (gm), (o), and  
23 (w), may not exceed applicable limitations on payments under 42 USC 1396a (a) (30)  
24 (A).

25 **SECTION 1446.** 49.45 (52) (a) 2. of the statutes is created to read:

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1           49.45 (52) (a) 2. The department may require a county department or local  
2 health department to submit a certified cost report that meets the requirements of  
3 the federal department of health and human services for covered services described  
4 in subd. 1.

5           **SECTION 1447.** 49.45 (52) (b) of the statutes is created to read:

6           49.45 (52) (b) If the department provides the notice under par. (c) selecting the  
7 payment procedure in this paragraph, all of the following apply:

8           1. Annually, a county department under s. 46.215, 46.22, 46.23, 51.42, or 51.437  
9 shall submit a certified cost report that meets the requirements of the federal  
10 department of health and human services for covered services under s. 49.46 (2) (a)  
11 2. and 4. d. and f. and (b) 6. b., c., f., fm., g., j., k., L., Lm., and m., 9., 12., 12m., 13.,  
12 15., and 16., except for services specified under s. 49.46 (2) (b) 6. b. and c. provided  
13 to children participating in the early intervention program under s. 51.44.

14           2. For services described under subd. 1., the department shall base the amount  
15 of a claim for federal medical assistance funds on certified cost reports submitted by  
16 county departments under subd. 1. to the extent the reports comply with federal  
17 requirements.

18           3. The department shall pay county departments a percentage of the federal  
19 funds claimed under subd. 2. for services described under subd. 1., which percentage  
20 is established in the most recent biennial budget.

21           4. The department may pay a local health department, as defined in s. 250.01  
22 (4), that submits certified cost reports for services described under subd. 1. a  
23 percentage of the federal funds claimed for those services, which percentage is  
24 established in the most recent biennial budget.

25           **SECTION 1448.** 49.45 (52) (c) of the statutes is created to read:

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1           49.45 (52) (c) The department shall select a payment procedure under either  
2 par. (a) or (b) and may change which procedure under par. (a) or (b) is selected. The  
3 department shall notify each county department and local health department, as  
4 applicable, of the selected payment procedure before the date on which payment for  
5 services is made under that selected or newly selected procedure.

6           **SECTION 1449.** 49.45 (53) of the statutes is amended to read:

7           49.45 (53) PAYMENTS FOR CERTAIN SERVICES. Beginning on January 1, 2003, the  
8 department may, from the appropriation account under s. 20.435 (7) (b), make  
9 Medical Assistance payments to providers for covered services under ss. 49.46 (2) (a)  
10 4. d. and (b) 6. j. and m. and 49.471 (11) (f) that are provided before January 1, 2012.

11           **SECTION 1450.** 49.46 (1) (a) 4. of the statutes is amended to read:

12           49.46 (1) (a) 4. Any person receiving benefits under s. ~~49.77~~ 49.39 or federal  
13 Title XVI.

14           **SECTION 1451.** 49.46 (1) (a) 4m. of the statutes is amended to read:

15           49.46 (1) (a) 4m. Any child for whom a payment is made under s. ~~49.775~~ 49.395.

16           **SECTION 1452.** 49.46 (1) (d) 4. of the statutes is amended to read:

17           49.46 (1) (d) 4. A child who meets the conditions under 42 USC 1396a (e) (3)  
18 shall be considered a recipient of benefits under s. ~~49.77~~ 49.39 or federal Title XVI.

19           **SECTION 1453.** 49.46 (1) (e) of the statutes is amended to read:

20           49.46 (1) (e) If an application under s. 49.47 (3) shows that the individual meets  
21 the income limits under s. 49.19 or meets the income and resource requirements  
22 under federal Title XVI or s. ~~49.77~~ 49.39, or that the individual is an essential person,  
23 an accommodated person, or a patient in a public medical institution, the individual  
24 shall be granted the benefits enumerated under sub. (2) whether or not the  
25 individual requests or receives a grant of any of such aids.

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1           **SECTION 1454.** 49.465 (2) (a) of the statutes is amended to read:

2           49.465 (2) (a) If the woman applies for benefits under s. 49.46 or 49.47 within  
3 the time required under sub. (4), the day on which the department ~~or the county~~  
4 ~~department under s. 46.215, 46.22 or 46.23~~ determines whether the woman is  
5 eligible for benefits under s. 49.46 or 49.47.

6           **SECTION 1455.** 49.468 (1) (b) of the statutes is amended to read:

7           49.468 (1) (b) For an elderly or disabled individual who is entitled to coverage  
8 under ~~part~~ Part A of medicare Medicare, entitled to coverage under ~~part~~ Part B of  
9 ~~medicare Medicare~~, and who does not meet the eligibility criteria for ~~medical~~  
10 ~~assistance~~ Medical Assistance under s. 49.46 (1), 49.465, 49.47 (4), or 49.471 but  
11 meets the limitations on income and resources under par. (d), ~~medical assistance~~  
12 Medical Assistance shall pay the deductible and coinsurance portions of ~~medicare~~  
13 Medicare services under 42 USC 1395 to 1395zz ~~which that~~ are not paid under 42  
14 USC 1395 to 1395zz, including those ~~medicare Medicare~~ services that are not  
15 included in the approved state plan for services under 42 USC 1396; the monthly  
16 premiums payable under 42 USC 1395v; the monthly premiums, if applicable, under  
17 42 USC 1395i-2 (d); and the late enrollment penalty, if applicable, for premiums  
18 under ~~part~~ Part A of medicare Medicare. Payment of coinsurance for a service under  
19 ~~part~~ Part B of medicare Medicare under 42 USC 1395j to 1395w, other than payment  
20 of coinsurance for outpatient hospital services, and payment of coinsurance for a  
21 service under Part A of Medicare may not exceed the allowable charge for the service  
22 under ~~medical assistance~~ Medical Assistance minus the ~~medicare Medicare~~  
23 payment.

24           **SECTION 1456.** 49.468 (1) (c) of the statutes is amended to read:

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1           49.468 (1) (c) For an elderly or disabled individual who is only entitled to  
2 coverage under ~~part~~ Part A of medicare Medicare and who does not meet the  
3 eligibility criteria for ~~medical assistance~~ Medical Assistance under s. 49.46 (1),  
4 49.465, 49.47 (4), or 49.471 but meets the limitations on income and resources under  
5 par. (d), ~~medical assistance~~ Medical Assistance shall pay the deductible and  
6 coinsurance portions of ~~medicare~~ Medicare services under 42 USC 1395 to 1395i  
7 ~~which~~ that are not paid under 42 USC 1395 to 1395i, including those ~~medicare~~  
8 Medicare services that are not included in the approved state plan for services under  
9 42 USC 1396; the monthly premiums, if applicable, under 42 USC 1395i-2 (d); and  
10 the late enrollment penalty for premiums under ~~part~~ Part A of medicare Medicare,  
11 if applicable. Payment of coinsurance for a service under Part A of Medicare may not  
12 exceed the allowable charge for the service under Medical Assistance minus the  
13 Medicare payment.

14           **SECTION 1457.** 49.47 (3) (b) of the statutes is amended to read:

15           49.47 (3) (b) The ~~agency~~ department shall promptly review the application and  
16 shall issue a certificate to the individual showing eligibility when eligibility has been  
17 established.

18           **SECTION 1458.** 49.47 (4) (c) 1. of the statutes is amended to read:

19           49.47 (4) (c) 1. Except as provided in par. (am) and as limited by subd. 3.,  
20 eligibility exists if income does not exceed 133 1/3% of the maximum aid to families  
21 with dependent children payment under s. 49.19 (11) for the applicant's family size  
22 or the combined benefit amount available under supplemental security income  
23 under 42 USC 1381 to 1383c and state supplemental aid under s. 49.77 ~~49.39~~,  
24 whichever is higher. In this subdivision "income" includes earned or unearned  
25 income that would be included in determining eligibility for the individual or family

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1 under s. 49.19 or ~~49.77~~ 49.39, or for the aged, blind or disabled under 42 USC 1381  
2 to 1385. "Income" does not include earned or unearned income which would be  
3 excluded in determining eligibility for the individual or family under s. 49.19 or ~~49.77~~  
4 49.39, or for the aged, blind or disabled individual under 42 USC 1381 to 1385.

5 **SECTION 1459.** 49.47 (4) (i) 1. of the statutes is amended to read:

6 49.47 (4) (i) 1. The department shall request a waiver from the secretary of the  
7 federal department of health and human services to permit the application of subd.  
8 2. The waiver shall request approval to implement the waiver on a statewide basis,  
9 unless the department of health services determines that statewide implementation  
10 of the waiver would present an obstacle to the approval of the waiver by the secretary  
11 of the federal department of health and human services, in which case the waiver  
12 shall request approval to implement the waiver in 48 pilot counties to be selected by  
13 the department of health services. Within 30 days after August 12, 1993, the  
14 department of ~~regulation and licensing~~ safety and professional services shall notify  
15 funeral directors licensed under ch. 445, cemetery associations, as defined in s.  
16 157.061 (1r), and cemetery authorities, as defined in s. 157.061 (2), of the terms of  
17 the waiver required to be requested under this subdivision. If the waiver is approved  
18 by the secretary of the federal department of health and human services and if the  
19 waiver remains in effect, subd. 2. shall apply.

20 **SECTION 1460.** 49.471 (5) (b) 3. a. of the statutes is amended to read:

21 49.471 (5) (b) 3. a. If the woman or child applies for benefits under sub. (4)  
22 within the time required under par. (d), the benefits specified in subd. 1. or 2.,  
23 whichever is applicable, end on the day on which the department ~~or the county~~  
24 ~~department under s. 46.215, 46.22, or 46.23~~ determines whether the woman or child  
25 is eligible for benefits under sub. (4).

**BILL****SECTION 1461**

1           **SECTION 1461.** 49.471 (7) (c) 4. of the statutes is amended to read:

2           49.471 (7) (c) 4. Not include in the calculation any income of an individual  
3 receiving benefits under s. ~~49.77~~ 49.39 or federal Title XVI.

4           **SECTION 1462.** 49.472 (4) (a) 2. a. of the statutes is amended to read:

5           49.472 (4) (a) 2. a. A maintenance allowance established by the department by  
6 rule. The maintenance allowance may not be less than the sum of \$20, the federal  
7 supplemental security income payment level determined under 42 USC 1382 (b) and  
8 the state supplemental payment determined under s. ~~49.77 (2m)~~ 49.39 (2m).

9           **SECTION 1463.** 49.472 (6) (a) of the statutes is amended to read:

10           49.472 (6) (a) Notwithstanding sub. (4) (a) 3., from the appropriation ~~account~~  
11 accounts under s. 20.435 (4) (b), (gm), or (w), the department shall, on the part of an  
12 individual who is eligible for medical assistance under sub. (3), pay premiums for or  
13 purchase individual coverage offered by the individual's employer if the department  
14 determines that paying the premiums for or purchasing the coverage will not be more  
15 costly than providing medical assistance.

16           **SECTION 1464.** 49.472 (6) (b) of the statutes is amended to read:

17           49.472 (6) (b) If federal financial participation is available, from the  
18 appropriation ~~account~~ accounts under s. 20.435 (4) (b), (gm), or (w), the department  
19 may pay medicare Part A and Part B premiums for individuals who are eligible for  
20 medicare and for medical assistance under sub. (3).

21           **SECTION 1465.** 49.473 (2) (intro.) of the statutes is amended to read:

22           49.473 (2) (intro.) A woman is eligible for medical assistance as provided under  
23 sub. (5) if, after applying to the department ~~or a county department~~, the department  
24 ~~or a county department~~ determines that she meets all of the following requirements:

25           **SECTION 1466.** 49.473 (3) (intro.) of the statutes is amended to read:

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1           49.473 (3) (intro.) Prior to applying to the department ~~or a county department~~  
2 for medical assistance, a woman is eligible for medical assistance as provided under  
3 sub. (5) beginning on the date on which a qualified entity determines, on the basis  
4 of preliminary information, that the woman meets the requirements specified in sub.  
5 (2) and ending on one of the following dates:

6           **SECTION 1467.** 49.473 (3) (a) of the statutes is amended to read:

7           49.473 (3) (a) If the woman applies to the department ~~or a county department~~  
8 for medical assistance within the time limit required under sub. (4), the day on which  
9 the department ~~or county department~~ determines whether the woman meets the  
10 requirements under sub. (2).

11           **SECTION 1468.** 49.473 (3) (b) of the statutes is amended to read:

12           49.473 (3) (b) If the woman does not apply to the department ~~or county~~  
13 ~~department~~ for medical assistance within the time limit required under sub. (4), the  
14 last day of the month following the month in which the qualified entity determines  
15 that the woman is eligible for medical assistance.

16           **SECTION 1469.** 49.473 (4) of the statutes is amended to read:

17           49.473 (4) A woman who a qualified entity determines under sub. (3) is eligible  
18 for medical assistance shall apply to the department ~~or county department~~ no later  
19 than the last day of the month following the month in which the qualified entity  
20 determines that the woman is eligible for medical assistance.

21           **SECTION 1470.** 49.473 (5) of the statutes is amended to read:

22           49.473 (5) The department shall audit and pay, from the appropriation  
23 accounts under s. 20.435 (4) (b), (gm), and (o), allowable charges to a provider who  
24 is certified under s. 49.45 (2) (a) 11. for medical assistance on behalf of a woman who

**BILL****SECTION 1470**

1 meets the requirements under sub. (2) for all benefits and services specified under  
2 s. 49.46 (2).

3 **SECTION 1471.** 49.473 (6) (b) of the statutes is amended to read:

4 49.473 (6) (b) Inform the woman at the time of the determination that she is  
5 required to apply to the department ~~or a county department~~ for medical assistance  
6 no later than the last day of the month following the month in which the qualified  
7 entity determines that the woman is eligible for medical assistance.

8 **SECTION 1472.** 49.496 (4) (a) of the statutes is renumbered 49.496 (4) and  
9 amended to read:

10 49.496 (4) The department may require a county department under s. 46.215,  
11 46.22, or 46.23 or the governing body of a federally recognized American Indian tribe  
12 administering medical assistance to gather and provide the department with  
13 information needed to recover medical assistance under this section. ~~Except as~~  
14 ~~provided in par. (b), the~~ The department shall pay to a county department or tribal  
15 governing body an amount equal to 5% of the recovery collected by the department  
16 relating to a beneficiary for whom the county department or tribal governing body  
17 made the last determination of medical assistance eligibility. A county department  
18 or tribal governing body may use funds received under this ~~paragraph~~ subsection  
19 only to pay costs incurred under this ~~paragraph~~ subsection and, if any amount  
20 remains, to pay for improvements to functions required under s. 49.78 (2). The  
21 department may withhold payments under this ~~paragraph~~ subsection for failure to  
22 comply with the department's requirements under this ~~paragraph~~ subsection. The  
23 department shall treat payments made under this ~~paragraph~~ subsection as costs of  
24 administration of the Medical Assistance program.

25 **SECTION 1473.** 49.496 (4) (b) of the statutes is repealed.

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1           **SECTION 1474.** 49.496 (5) of the statutes is amended to read:

2           49.496 (5) USE OF FUNDS. From the appropriation under s. 20.435 (4) (im), the  
3 department shall pay the amount of the payments under sub. (4) (a) that is not paid  
4 from federal funds, shall pay to the federal government the amount of the funds  
5 recovered under this section equal to the amount of federal funds used to pay the  
6 benefits recovered under this section, and shall spend the remainder of the funds  
7 recovered under this section for medical assistance benefits under this subchapter.

8           **SECTION 1475.** 49.497 (1) (b) of the statutes is amended to read:

9           49.497 (1) (b) The department's right of recovery is against any Medical  
10 Assistance or Badger Care recipient to whom or on whose behalf the incorrect  
11 payment was made. The extent of recovery is limited to the amount of the benefits  
12 incorrectly granted. ~~The county department under s. 46.215 or 46.22 or the~~  
13 governing body of a federally recognized American Indian tribe administering  
14 Medical Assistance or Badger Care shall may begin recovery actions on behalf of the  
15 department according to rules promulgated by the department.

16           **SECTION 1476.** 49.497 (2) (a) of the statutes is renumbered 49.497 (2) and  
17 amended to read:

18           49.497 (2) ~~Except as provided in par. (b), a~~ A county or governing body of a  
19 federally recognized American Indian tribe may retain 15% of benefits provided  
20 under this subchapter or s. 49.665 that are recovered under this section due to the  
21 efforts of an employee or officer of the county or tribe.

22           **SECTION 1477.** 49.497 (2) (b) of the statutes is repealed.

23           **SECTION 1478.** 49.68 (3) (b) of the statutes is amended to read:

24           49.68 (3) (b) From the appropriation accounts under ss. 20.435 (4) (e) and (je),  
25 the state shall pay ~~the cost of~~ at a rate determined by the department under par. (e),

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1 for medical treatment that is required as a direct result of chronic renal disease of  
2 certified patients from the date of certification, including ~~the cost of~~ administering  
3 recombinant human erythropoietin to appropriate patients, whether the treatment  
4 is rendered in an approved facility in the state or in a dialysis or transplantation  
5 center ~~which~~ that is approved as such by a contiguous state, subject to the conditions  
6 specified under par. (d). Approved facilities may include a hospital in-center dialysis  
7 unit or a nonhospital dialysis center ~~which~~ that is closely affiliated with a home  
8 dialysis program supervised by an approved facility. Aid shall also be provided for  
9 all reasonable expenses incurred by a potential living-related donor, including  
10 evaluation, hospitalization, surgical costs, and postoperative follow-up to the extent  
11 that these costs are not reimbursable under the federal medicare program or other  
12 insurance. In addition, all expenses incurred in the procurement, transportation,  
13 and preservation of cadaveric donor kidneys shall be covered to the extent that these  
14 costs are not otherwise reimbursable. All donor-related costs are chargeable to the  
15 recipient and reimbursable under this subsection.

16 **SECTION 1479.** 49.68 (3) (e) of the statutes is amended to read:

17 49.68 (3) (e) ~~State aids~~ Payment for services provided under this section shall  
18 be equal to at a rate determined by the department that does not exceed the allowable  
19 charges under the federal Medicare program. In no case shall state rates for  
20 individual service elements exceed the federally defined allowable costs. The rate  
21 of charges for services not covered by public and private insurance shall not exceed  
22 the reasonable charges as established by ~~medicare~~ Medicare fee determination  
23 procedures. A person that provides to a patient a service for which aid is provided  
24 under this section shall accept the amount paid under this section for the service as  
25 payment in full and may not bill the patient for any amount by which the charge for

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1 the service exceeds the amount paid for the service under this section. The state may  
2 not pay for the cost of travel, lodging, or meals for persons who must travel to receive  
3 inpatient and outpatient dialysis treatment for kidney disease. This paragraph shall  
4 not apply to donor related costs as defined in par. (b).

5 **SECTION 1480.** 49.688 (2) (a) 6. of the statutes is created to read:

6 49.688 (2) (a) 6. The person applies for and, if eligible, enrolls in Medicare  
7 under Part D of Title XVIII of the federal Social Security Act, 42 USC 1395w-101 to  
8 1395w-153, if the secretary of the federal department of health and human services  
9 approves the condition on eligibility under this subdivision.

10 **SECTION 1481.** 49.688 (2) (b) of the statutes is amended to read:

11 49.688 (2) (b) A person to whom par. (a) 1. to 3. ~~and, 5., and 6.~~ applies, but whose  
12 annual household income, as determined by the department, exceeds 240% of the  
13 federal poverty line for a family the size of the persons' eligible family, is eligible to  
14 purchase a prescription drug at the amounts specified in sub. (5) (a) 4. only during  
15 the remaining amount of any 12-month period in which the person has first paid the  
16 annual deductible specified in sub. (3) (b) 2. a. in purchasing prescription drugs at  
17 the retail price and has then paid the annual deductible specified in sub. (3) (b) 2. b.

18 **SECTION 1482.** 49.77 of the statutes is renumbered 49.39, and 49.39 (6), as  
19 renumbered, is amended to read:

20 49.39 (6) AUTHORITY TO ADMINISTER; RULES. The department shall administer  
21 this section and s. ~~49.775~~ 49.395, and may promulgate rules to guide the  
22 administration of eligibility determinations and benefits payments.

23 **SECTION 1483.** 49.775 of the statutes is renumbered 49.395, and 49.395 (2) (a),  
24 (b), (bm) and (e) 1., as renumbered, are amended to read:

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1           49.395 (2) (a) The custodial parent is a recipient of supplemental security  
2 income under 42 USC 1381 to 1383c or of state supplemental payments under s.  
3 ~~49.77~~ 49.39, or both.

4           (b) If the dependent child has 2 custodial parents, each custodial parent  
5 receives supplemental security income under 42 USC 1381 to 1383c or state  
6 supplemental payments under s. ~~49.77~~ 49.39, or both.

7           (bm) The custodial parent assigns to the state any right of the custodial parent  
8 or of the dependent child to support from any other person accruing during the time  
9 that any payment under this subsection is made to the custodial parent. No amount  
10 of support that begins to accrue after the individual ceases to receive payments under  
11 this section may be considered assigned to the state. Seventy-five percent of all  
12 money that is received by the department ~~of children and families~~ under an  
13 assignment to the state under this paragraph shall be paid to the custodial parent.  
14 The department ~~of children and families~~ shall pay the federal share of support  
15 assigned under this paragraph as required under federal law or waiver.

16           (e) 1. The custodial parent is ineligible for aid under s. 49.19 solely because he  
17 or she receives supplemental security income under 42 USC 1381 to 1383c or state  
18 supplemental payments under s. ~~49.77~~ 49.39.

19           **SECTION 1484.** 49.776 of the statutes is renumbered 49.396 and amended to  
20 read:

21           **49.396 Payment of support arrears.** If a custodial parent who formerly  
22 received payments under s. 49.775, 2009 stats., or s. 49.395 but who is no longer  
23 receiving payments under s. 49.775, 2009 stats., or s. 49.395 assigned to the state  
24 under s. 49.775 (2) (bm), 2009 stats., or s. 49.395 (2) (bm) his or her right or the right  
25 of the dependent child to support from any other person, the department shall pay

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1 to the custodial parent all money in support arrears that is collected by the  
2 department after the custodial parent's receipt of payments under s. 49.775, 2009  
3 stats., or s. 49.395 ceased and that accrued while the custodial parent was receiving  
4 those payments.

5 **SECTION 1485.** 49.78 (1) (b) of the statutes is amended to read:

6 49.78 (1) (b) "Income maintenance program" means the Medical Assistance  
7 program under subch. IV of ch. 49, the Badger Care health care program under s.  
8 49.665, ~~the food stamp program under 7 USC 2011 to 2036,~~ or the cemetery, funeral,  
9 and burial expenses program under s. 49.785.

10 **SECTION 1486.** 49.78 (1) (bm) of the statutes is created to read:

11 49.78 (1) (bm) "Income maintenance worker" means a person employed by or  
12 under a contract with the department or a tribal governing body whose duties  
13 include determining eligibility for income maintenance programs.

14 **SECTION 1487.** 49.78 (1) (f) of the statutes is created to read:

15 49.78 (1) (f) "Unit" means the income maintenance administration unit.

16 **SECTION 1488.** 49.78 (1m) (intro.) of the statutes, as created by 2011 Wisconsin  
17 Act .... (this act), is amended to read:

18 49.78 (1m) (intro.) The department shall establish an income maintenance  
19 administration unit under s. 15.02 (3) (c) 3. to administer income maintenance  
20 programs in this state, ~~except as provided in s. 49.825 (2).~~ Administration of income  
21 maintenance programs includes the following:

22 **SECTION 1489.** 49.78 (1m) of the statutes is created to read:

23 49.78 (1m) ESTABLISHMENT OF UNIT. The department shall establish an income  
24 maintenance administration unit under s. 15.02 (3) (c) 3. to administer income

**BILL****SECTION 1489**

1 maintenance programs in this state, except as provided in s. 49.825 (2).

2 Administration of income maintenance programs includes the following:

3 (a) Receiving applications.

4 (b) Determining eligibility.

5 (c) Conducting fraud investigation and fraud prevention activities.

6 (d) Implementing error reduction procedures.

7 (e) Recovering overpayments of benefits.

8 **SECTION 1490.** 49.78 (1p) of the statutes is created to read:

9 49.78 (1p) INCOME MAINTENANCE ADMINISTRATION UNIT CONTRACTS. The  
10 department may contract with a public or private entity to provide the income  
11 maintenance administrative services described in sub. (1m). A contract to provide  
12 income maintenance administrative services under this section is exempt from  
13 subch. IV of ch. 16.

14 **SECTION 1491.** 49.78 (1r) of the statutes is created to read:

15 49.78 (1r) ADMINISTRATION BY A TRIBAL GOVERNING BODY. A tribal governing body  
16 may administer income maintenance programs by electing to have the unit  
17 administer the tribe's income maintenance programs or by providing the required  
18 administrative services and entering into a contract with the department for  
19 reimbursement under sub. (2).

20 **SECTION 1492.** 49.78 (2) of the statutes is amended to read:

21 49.78 (2) CONTRACTS WITH A TRIBAL GOVERNING BODY. Annually, for the income  
22 maintenance administrative program functions, if any, that the department  
23 delegates to a ~~county or~~ tribal governing body, ~~the department and county~~  
24 ~~department under s. 46.215, 46.22, or 46.23 shall enter into a contract, and the~~  
25 department and tribal governing body may enter into a contract, for reimbursement

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1 of the ~~county department or~~ tribal governing body for the reasonable cost of  
2 administering income maintenance programs.

3 **SECTION 1493.** 49.78 (4) of the statutes is renumbered 49.19 (19g) (a) and  
4 amended to read:

5 49.19 (19g) (a) ~~RULES, MERIT SYSTEM.~~ The department of children and families  
6 shall promulgate rules for the efficient administration of aid to families with  
7 dependent children in agreement with the requirement for federal aid, including the  
8 establishment and maintenance of personnel standards on a merit basis. The  
9 provisions of this ~~section~~ subsection relating to personnel standards on a merit basis  
10 supersede any inconsistent provisions of any law relating to county personnel. This  
11 ~~subsection~~ paragraph shall not be construed to invalidate the provisions of s. 46.22  
12 (1) (d).

13 **SECTION 1494.** 49.78 (5) of the statutes is renumbered 49.19 (19g) (b) and  
14 amended to read:

15 49.19 (19g) (b) ~~PERSONNEL EXAMINATIONS.~~ Statewide examinations to ascertain  
16 qualifications of applicants in any county department administering aid to families  
17 with dependent children shall be given by the administrator of the division of merit  
18 recruitment and selection in the office of state employment relations. The office of  
19 state employment relations shall be reimbursed for actual expenditures incurred in  
20 the performance of its functions under this ~~section~~ subsection from the  
21 appropriations available to the department of ~~children and families~~ for  
22 administrative expenditures.

23 **SECTION 1495.** 49.78 (6) (title) of the statutes is repealed.

24 **SECTION 1496.** 49.78 (6) of the statutes is renumbered 49.19 (19g) (c).

**BILL****SECTION 1497**

1           **SECTION 1497.** 49.78 (7) of the statutes is renumbered 49.19 (19g) (d) and  
2 amended to read:

3           49.19 **(19g)** (d) ~~COUNTY PERSONNEL SYSTEMS.~~ Pursuant to rules promulgated  
4 under ~~sub. (4) par. (a)~~, the department of children and families where requested by  
5 the county shall delegate to that county, without restriction because of enumeration,  
6 any or all of the authority of the department of children and families under ~~sub. (4)~~  
7 par. (a) to establish and maintain personnel standards including salary levels.

8           **SECTION 1498.** 49.78 (8) (a) of the statutes is amended to read:

9           49.78 **(8)** (a) From the ~~appropriation accounts~~ appropriations under s. 20.435  
10 (4) ~~(bn)~~ (bm) and (nn) and subject to par. (b), the department shall reimburse each  
11 ~~county and~~ tribal governing body that contracts with the department under sub. (2)  
12 for reasonable costs of administering the income maintenance programs, including  
13 conducting fraud prevention activities. The amount of each reimbursement paid  
14 under this paragraph shall be calculated using a formula based on workload within  
15 the limits of available state and federal funds under s. 20.435 (4) ~~(bn)~~ (bm) and (nn)  
16 by contract under sub. (2). The amount of reimbursement calculated under this  
17 paragraph and par. (b) is in addition to any reimbursement provided to a ~~county or~~  
18 tribal governing body for fraud and error reduction under s. 49.197 or 49.845.

19           **SECTION 1499.** 49.78 (8) (b) of the statutes is amended to read:

20           49.78 **(8)** (b) The department may adjust the amounts determined under par.  
21 (a) for workload changes and computer network activities performed by a ~~county or~~  
22 tribal governing body and may reduce the amount of any reimbursement if federal  
23 reimbursement is withheld due to audits, quality control samples, or program  
24 reviews.

25           **SECTION 1500.** 49.78 (10) (title) of the statutes is amended to read:

**BILL****SECTION 1500**

1           49.78 (10) (title) COUNTY TRIBAL GOVERNING BODY CERTIFICATION.

2           **SECTION 1501.** 49.78 (10) (a) of the statutes is amended to read:

3           49.78 (10) (a) ~~Each county treasurer and director of a county department under~~  
4           ~~s. 46.215, 46.22, or 46.23 that contracts with the department under sub. (2) and each~~  
5           Each tribal governing body that contracts with the department under sub. (2) shall  
6           certify monthly under oath to the department in such manner as the department  
7           prescribes the claim of the ~~county or~~ tribal governing body for state reimbursement  
8           under sub. (8) (a). The department shall review each claim of reimbursement and,  
9           if the department approves the claim, the department shall certify to the department  
10          of administration for reimbursement to the ~~county or~~ tribal governing body for  
11          amounts due under sub. (8) (a) and payment claimed to be made to the ~~counties or~~  
12          tribal governing bodies monthly. The department may make advance payments  
13          prior to the beginning of each month equal to one-twelfth of the contracted amount.

14          **SECTION 1502.** 49.78 (10) (b) of the statutes is amended to read:

15          49.78 (10) (b) To facilitate prompt reimbursement, the certificate of the  
16          department may be based on the certified statements of the ~~county officers or~~ tribal  
17          governing body executives filed under par. (a). Funds recovered from audit  
18          adjustments from a prior fiscal year may be included in subsequent certifications  
19          only to pay ~~counties~~ tribal governing bodies owed funds as a result of any audit  
20          adjustment. By September 30 annually, the department shall submit a report to the  
21          appropriate standing committees under s. 13.172 (3) on funds recovered and paid out  
22          during the previous calendar year as a result of audit adjustments.

23          **SECTION 1503.** 49.785 (1) (intro.) of the statutes is amended to read:

24          49.785 (1) (intro.) Except as provided in sub. (1m) ~~and subject to s. 49.825~~, if  
25          any recipient specified in sub. (1c) dies and the estate of the deceased recipient is

**BILL****SECTION 1503**

1 insufficient to pay the funeral, burial, and cemetery expenses of the deceased  
2 recipient, the department or county or applicable tribal governing body or  
3 organization responsible for burial of the recipient shall pay, to the person  
4 designated by the department or county department under s. 46.215, 46.22, or 46.23  
5 or applicable tribal governing body or organization responsible for the burial of the  
6 recipient, all of the following:

7 **SECTION 1504.** 49.785 (1) (intro.) of the statutes, as affected by 2011 Wisconsin  
8 Act .... (this act), is amended to read:

9 49.785 (1) (intro.) Except as provided in sub. (1m), if any recipient specified in  
10 sub. (1c) dies and the estate of the deceased recipient is insufficient to pay the  
11 funeral, burial, and cemetery expenses of the deceased recipient, the department ~~or~~  
12 ~~county~~ or applicable tribal governing body or organization responsible for burial of  
13 the recipient shall pay, to the person designated by the department ~~or county~~  
14 ~~department~~ under s. 46.215, ~~46.22, or 46.23~~ or applicable tribal governing body or  
15 organization responsible for the burial of the recipient, all of the following:

16 **SECTION 1505.** 49.785 (1c) (a) of the statutes is amended to read:

17 49.785 (1c) (a) A recipient of benefits under s. 49.77, 2009 stats., or s. 49.148,  
18 49.39, or 49.46, ~~or 49.77,~~ or under 42 USC 1381 to 1385 in effect on May 8, 1980.

19 **SECTION 1506.** 49.785 (1m) (a) of the statutes is amended to read:

20 49.785 (1m) (a) If the total cemetery expenses for the recipient exceed \$3,500,  
21 the department ~~or county~~ or applicable tribal governing body or organization  
22 responsible for burial of the recipient is not required to make a payment for the  
23 cemetery expenses under sub. (1) (a).

24 **SECTION 1507.** 49.785 (1m) (b) of the statutes is amended to read:

**BILL****SECTION 1507**

1           49.785 (1m) (b) If the total funeral and burial expenses for the recipient exceed  
2           \$4,500, the department ~~or county~~ or applicable tribal governing body or organization  
3           responsible for burial of the recipient is not required to make a payment for funeral  
4           and burial expenses under sub. (1) (b).

5           **SECTION 1508.** 49.785 (1m) (c) of the statutes is amended to read:

6           49.785 (1m) (c) If a request for payment under sub. (1) is made more than 12  
7           months after the death of the recipient, the department ~~or county~~ or applicable tribal  
8           governing body or organization responsible for burial of the recipient is not required  
9           to make a payment for cemetery, funeral, or burial expenses.

10          **SECTION 1509.** 49.785 (2) of the statutes is amended to read:

11          49.785 (2) From the appropriation under s. 20.435 (4) ~~(bn)~~ (br), the department  
12          shall reimburse a county or applicable tribal governing body or organization for any  
13          amount that the county or applicable tribal governing body or organization is  
14          required to pay under sub. (1) if the county or applicable tribal governing body or  
15          organization complies with sub. (3). From the appropriation under s. 20.435 (4) ~~(bn)~~  
16          (br), the department shall reimburse a county or applicable tribal governing body or  
17          organization for cemetery expenses or for funeral and burial expenses for a person  
18          described under sub. (1) that the county or applicable tribal governing body or  
19          organization is not required to pay under subs. (1) and (1m) only if the department  
20          approves the reimbursement due to unusual circumstances and if the county or  
21          applicable tribal governing body or organization complies with sub. (3).

22          **SECTION 1510.** 49.785 (2) of the statutes, as affected by 2011 Wisconsin Act ...  
23          (this act), is amended to read:

24          49.785 (2) From the appropriation under s. 20.435 (4) (br), the department  
25          shall reimburse ~~a county or~~ an applicable tribal governing body or organization for

**BILL****SECTION 1510**

1 any amount that the ~~county or applicable~~ tribal governing body or organization is  
2 required to pay under sub. (1) if the ~~county or applicable~~ tribal governing body or  
3 organization complies with sub. (3). From the appropriation under s. 20.435 (4) (br),  
4 the department shall reimburse ~~a county or an~~ applicable tribal governing body or  
5 organization for cemetery expenses or for funeral and burial expenses for a person  
6 described under sub. (1) that the ~~county or applicable~~ tribal governing body or  
7 organization is not required to pay under subs. (1) and (1m) only if the department  
8 approves the reimbursement due to unusual circumstances and if the ~~county or~~  
9 ~~applicable~~ tribal governing body or organization complies with sub. (3).

10 **SECTION 1511.** 49.785 (3) (intro.) of the statutes is amended to read:

11 49.785 (3) (intro.) As a condition for reimbursement under sub. (2) for amounts  
12 paid on behalf of a deceased recipient, ~~a county or an~~ applicable tribal governing  
13 body or organization shall provide to the department all of the following information  
14 with respect to the deceased recipient:

15 **SECTION 1512.** 49.785 (3) (c) of the statutes is amended to read:

16 49.785 (3) (c) The total amount of each of the expenses under pars. (a) and (b)  
17 that the ~~county or~~ tribal governing body or organization paid on behalf of the  
18 deceased recipient.

19 **SECTION 1513.** 49.79 (title) of the statutes is renumbered 49.37 (title) and  
20 amended to read:

21 **49.37 (title) ~~Food stamp~~ Supplemental nutrition assistance program**  
22 **administration.**

23 **SECTION 1514.** 49.79 (1) (intro.) of the statutes is renumbered 49.37 (1) (intro.).

24 **SECTION 1515.** 49.79 (1) (a) of the statutes is renumbered 49.37 (1) (a).

**BILL****SECTION 1516**

1           **SECTION 1516.** 49.79 (1) (c) of the statutes is renumbered 49.37 (1) (f) and  
2 amended to read:

3           49.37 (1) (f) "~~Food stamp program~~ Supplemental nutrition assistance program"  
4 means the federal ~~food stamp~~ supplemental nutrition assistance program under 7  
5 USC 2011 to 2036.

6           **SECTION 1517.** 49.79 (1) (f) of the statutes is renumbered 49.37 (1) (c).

7           **SECTION 1518.** 49.79 (1) (g) of the statutes is renumbered 49.37 (1) (g).

8           **SECTION 1519.** 49.79 (2) of the statutes is renumbered 49.37 (2) and amended  
9 to read:

10           49.37 (2) DENIAL OF ELIGIBILITY. An individual who fails to comply with the work  
11 requirements of the employment and training program under sub. (9) is ineligible to  
12 participate in the ~~food stamp~~ supplemental nutrition assistance program as  
13 specified under sub. (9) (b).

14           **SECTION 1520.** 49.79 (3) (title) of the statutes is renumbered 49.37 (3) (title) and  
15 amended to read:

16           49.37 (3) (title) LIABILITY FOR LOST ~~FOOD COUPONS~~ MISAPPROPRIATED BENEFITS.

17           **SECTION 1521.** 49.79 (3) (a) of the statutes is amended to read:

18           49.79 (3) (a) A ~~county or~~ federally recognized American Indian tribe is liable  
19 for all food stamp coupons lost, misappropriated, or destroyed while under the  
20 ~~county's or~~ tribe's direct control, except as provided in par. (b).

21           **SECTION 1522.** 49.79 (3) (a) of the statutes, as affected by 2011 Wisconsin Act  
22 ... (this act), is renumbered 49.37 (3) (a) and amended to read:

23           49.37 (3) (a) A federally recognized American Indian tribe is liable for all ~~food~~  
24 ~~stamp coupons lost,~~ supplemental nutrition assistance program benefits that are

**BILL****SECTION 1522**

1 misappropriated, ~~or destroyed~~ while under the tribe's direct control, except as  
2 provided in par. (b).

3 **SECTION 1523.** 49.79 (3) (b) of the statutes is amended to read:

4 49.79 (3) (b) A ~~county or~~ federally recognized American Indian tribe is not liable  
5 for food stamp coupons lost in natural disasters if it provides evidence acceptable to  
6 the department that the coupons were destroyed and not redeemed.

7 **SECTION 1524.** 49.79 (3) (b) of the statutes, as affected by 2011 Wisconsin Act  
8 .... (this act), is repealed.

9 **SECTION 1525.** 49.79 (3) (c) of the statutes is amended to read:

10 49.79 (3) (c) A ~~county or~~ federally recognized American Indian tribe is liable  
11 for food stamp coupons mailed to ~~residents of the county or~~ members of the tribe and  
12 lost in the mail due to incorrect information submitted to the department by the  
13 ~~county or~~ tribe.

14 **SECTION 1526.** 49.79 (3) (c) of the statutes, as affected by 2011 Wisconsin Act  
15 .... (this act), is renumbered 49.37 (3) (c) and amended to read:

16 49.37 (3) (c) A federally recognized American Indian tribe is liable for ~~food~~  
17 ~~stamp coupons mailed~~ supplemental nutrition assistance program benefits  
18 incorrectly transferred to members of the tribe and ~~lost in the mail~~ due to incorrect  
19 information submitted to the department by the tribe.

20 **SECTION 1527.** 49.79 (4) of the statutes is amended to read:

21 49.79 (4) DEDUCTIONS FROM ~~COUNTY~~ INCOME MAINTENANCE PAYMENTS. The  
22 department shall withhold the value of food stamp losses for which a ~~county or~~  
23 federally recognized American Indian tribe is liable under sub. (3) from the payment  
24 to the ~~county or~~ tribe under income maintenance contracts under s. 49.78 and  
25 reimburse the federal government from the funds withheld.

**BILL****SECTION 1528**

1           **SECTION 1528.** 49.79 (4) of the statutes, as affected by 2011 Wisconsin Act ....  
2 (this act), is renumbered 49.37 (4) and amended to read:

3           **49.37 (4) DEDUCTIONS FROM INCOME MAINTENANCE PAYMENTS.** The department  
4 shall withhold the value of ~~food stamp~~ any losses for which a federally recognized  
5 American Indian tribe is liable under sub. (3) from the payment to the tribe under  
6 ~~income maintenance contracts under s. 49.78~~ contracts for the administration of the  
7 supplemental nutrition assistance program and reimburse the federal government  
8 from the funds withheld.

9           **SECTION 1529.** 49.79 (5) (title) of the statutes is renumbered 49.37 (5) (title).

10           **SECTION 1530.** 49.79 (5) (a) of the statutes is renumbered 49.37 (5) (a) and  
11 amended to read:

12           **49.37 (5) (a)** The department shall require an applicant for, or recipient under,  
13 the ~~food stamp~~ supplemental nutrition assistance program to state in writing  
14 whether the applicant or recipient or any member of the applicant's or recipient's  
15 household has been convicted, in any state or federal court of a felony that has as an  
16 element possession, use or distribution of a controlled substance. The department  
17 shall require an applicant or recipient, or member of the applicant's or recipient's  
18 household to submit to a test for use of a controlled substance as a condition of  
19 continued eligibility if, after August 22, 1996, but not more than 5 years prior to the  
20 date the written statement is made, the applicant or recipient or the member of the  
21 applicant's or recipient's household was convicted in any state or federal court of a  
22 felony that had as an element possession, use or distribution of a controlled  
23 substance. If the test results are positive with respect to any individual, the  
24 department may not consider the needs of that individual in determining the  
25 household's eligibility for the ~~food stamp~~ supplemental nutrition assistance program

**BILL****SECTION 1530**

1 for at least 12 months from the date of the test. The department shall, however,  
2 consider the income and resources of that individual to be available to the household.

3 **SECTION 1531.** 49.79 (5) (b) of the statutes is renumbered 49.37 (5) (b).

4 **SECTION 1532.** 49.79 (6) of the statutes is renumbered 49.37 (6) and amended  
5 to read:

6 49.37 (6) INELIGIBILITY FOR FUGITIVE FELONS. No person is eligible for the ~~food~~  
7 ~~stamp supplemental nutrition assistance~~ program in a month in which that person  
8 is a fugitive felon under 7 USC 2015 (k) (1) or is violating a condition of probation,  
9 extended supervision or parole imposed by a state or federal court.

10 **SECTION 1533.** 49.79 (7) of the statutes is renumbered 49.37 (7) and amended  
11 to read:

12 49.37 (7) SIMPLIFIED ~~FOOD STAMP~~ SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.  
13 The department shall develop a simplified ~~food stamp program~~ supplemental  
14 nutrition assistance program that meets all of the requirements under P.L. 104-193,  
15 section 854, and shall submit the plan to the secretary of the federal department of  
16 agriculture for approval. If the secretary of the federal department of agriculture  
17 approves the plan, the department shall submit the plan to the secretary of  
18 administration for approval. If the secretary of administration approves the plan,  
19 the department may implement the plan.

20 **SECTION 1534.** 49.79 (8) of the statutes is amended to read:

21 49.79 (8) BENEFITS FOR QUALIFIED ALIENS. The department shall not provide  
22 benefits under this section to a qualified alien ~~who is ineligible for benefits under this~~  
23 ~~section solely because of the application of 9 USC 1612 or 1613 according to a plan~~  
24 ~~approved by the federal department of agriculture.~~ This subsection does not apply,

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1 except to the extent that federal food stamp benefits for qualified aliens are ~~restored~~  
2 required by the federal government.

3 **SECTION 1535.** 49.79 (8) of the statutes, as affected by 2011 Wisconsin Act ....  
4 (this act), is renumbered 49.37 (8) and amended to read:

5 49.37 (8) BENEFITS FOR QUALIFIED ALIENS. The department shall not provide  
6 benefits under this section to a qualified alien, except to the extent that federal ~~food~~  
7 stamp supplemental nutrition assistance program benefits for qualified aliens are  
8 required by the federal government.

9 **SECTION 1536.** 49.79 (8m) (title) of the statutes is renumbered 49.37 (8m)  
10 (title).

11 **SECTION 1537.** 49.79 (8m) (a) of the statutes is renumbered 49.37 (8m) (a) and  
12 amended to read:

13 49.37 (8m) (a) The department shall allow a prisoner who is applying for the  
14 ~~food stamp~~ supplemental nutrition assistance program from a correctional  
15 institution in anticipation of being released from the institution to use the address  
16 of the correctional institution as his or her address on the application.

17 **SECTION 1538.** 49.79 (8m) (b) of the statutes is renumbered 49.37 (8m) (b) and  
18 amended to read:

19 49.37 (8m) (b) The department shall allow an employee of a correctional  
20 institution who has been authorized by a prisoner of the institution to act on his or  
21 her behalf in matters related to the ~~food stamp~~ supplemental nutrition assistance  
22 program to receive and conduct telephone calls on behalf of the prisoner in matters  
23 related to the ~~food stamp~~ supplemental nutrition assistance program.

24 **SECTION 1539.** 49.79 (9) (title) of the statutes is renumbered 49.37 (9) (title).

25 **SECTION 1540.** 49.79 (9) (a) 1. of the statutes is amended to read:

**BILL****SECTION 1540**

1           49.79 (9) (a) 1. The department shall administer an employment and training  
2 program for recipients under the food stamp program and may contract under s.  
3 49.78 with county departments under ss. 46.215, 46.22, and 46.23, and with tribal  
4 governing bodies to carry out the administrative functions. The department may  
5 contract, or a county department or tribal governing body may subcontract, with a  
6 Wisconsin Works agency or another provider to administer the employment and  
7 training program under this subsection. Except as provided in subds. 2. and 3., the  
8 department may require able individuals who are 18 to 60 years of age who are not  
9 participants in a Wisconsin Works employment position to participate in the  
10 employment and training program under this subsection.

11           **SECTION 1541.** 49.79 (9) (a) 1. of the statutes, as affected by 2011 Wisconsin Act  
12 .... (this act), is renumbered 49.37 (9) (a) 1. and amended to read:

13           49.37 (9) (a) 1. The department shall administer an employment and training  
14 program for recipients under the food stamp supplemental nutrition assistance  
15 program and may contract under s. 49.78 with tribal governing bodies to carry out  
16 the administrative functions. The department may contract, or a tribal governing  
17 body may subcontract, with a Wisconsin Works agency or another provider to  
18 administer the employment and training program under this subsection. Except as  
19 provided in subds. 2. and 3., the department may require able individuals who are  
20 18 to 60 years of age who are not participants in a Wisconsin Works employment  
21 position to participate in the employment and training program under this  
22 subsection.

23           **SECTION 1542.** 49.79 (9) (a) 2. of the statutes is renumbered 49.37 (9) (a) 2. and  
24 amended to read:

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1           49.37 (9) (a) 2. The department may not require an individual who is a recipient  
2 under the ~~food stamp~~ supplemental nutrition assistance program and who is the  
3 caretaker of a child under the age of 12 weeks to participate in any employment and  
4 training program under this subsection.

5           **SECTION 1543.** 49.79 (9) (a) 3. of the statutes is renumbered 49.37 (9) (a) 3. and  
6 amended to read:

7           49.37 (9) (a) 3. The department may not require an individual who is a recipient  
8 under the ~~food stamp~~ supplemental nutrition assistance program to participate in  
9 any employment and training program under this subsection if that individual is  
10 enrolled at least half time in a school, as defined in s. 49.26 (1) (a) 2., a training  
11 program, or an institution of higher education.

12           **SECTION 1544.** 49.79 (9) (a) 4. of the statutes is renumbered 49.37 (9) (a) 4. and  
13 amended to read:

14           49.37 (9) (a) 4. The amount of ~~food stamp~~ supplemental nutrition assistance  
15 benefits paid to a recipient who is a participant in a Wisconsin ~~works~~ Works  
16 employment position under s. 49.147 (4) or (5) shall be calculated based on the  
17 pre-sanction benefit amount received s. 49.148.

18           **SECTION 1545.** 49.79 (9) (a) 5. of the statutes is renumbered 49.37 (9) (a) 5.

19           **SECTION 1546.** 49.79 (9) (b) (intro.) of the statutes is renumbered 49.37 (9) (b)  
20 (intro.) and amended to read:

21           49.37 (9) (b) (intro.) An individual who fails to comply with the work  
22 requirements under par. (a) without good cause is ineligible to participate in the ~~food~~  
23 stamp supplemental nutrition assistance program as follows:

24           **SECTION 1547.** 49.79 (9) (b) 1. of the statutes is renumbered 49.37 (9) (b) 1.

25           **SECTION 1548.** 49.79 (9) (b) 2. of the statutes is renumbered 49.37 (9) (b) 2.

**BILL****SECTION 1549**

1           **SECTION 1549.** 49.79 (9) (b) 3. of the statutes is renumbered 49.37 (9) (b) 3.

2           **SECTION 1550.** 49.793 (title) of the statutes is renumbered 49.373 (title) and  
3 amended to read:

4           **49.373** (title) **Recovery of food stamps supplemental nutrition**  
5 **assistance program overpayments.**

6           **SECTION 1551.** 49.793 (1) of the statutes is amended to read:

7           49.793 (1) The department ~~or a county~~ or an elected governing body of a  
8 federally recognized American Indian tribe or band acting on behalf of the  
9 department, may recover overpayments that arise from an overissuance of food  
10 coupons under the food stamp program administered under s. ~~46.215 (1) (k) or 46.22~~  
11 ~~(1) (b) 2.~~ 49.78. Recovery shall be made in accordance with 7 USC 2022.

12           **SECTION 1552.** 49.793 (1) of the statutes, as affected by 2011 Wisconsin Act ....  
13 (this act), is renumbered 49.373 (1) and amended to read:

14           49.373 (1) The department or an elected governing body of a federally  
15 recognized American Indian tribe or band acting on behalf of the department, may  
16 recover overpayments that arise from an overissuance of ~~food coupons~~ benefits under  
17 the ~~food stamp~~ supplemental nutrition assistance program administered under s.  
18 49.78. Recovery shall be made in accordance with 7 USC 2022.

19           **SECTION 1553.** 49.793 (2) of the statutes, as affected by 2011 Wisconsin Act ....  
20 (this act), is renumbered 49.373 (2).

21           **SECTION 1554.** 49.793 (2) (a) of the statutes is renumbered 49.793 (2) and  
22 amended to read:

23           49.793 (2) ~~Except as provided in par. (b), a~~ A county or governing body of a  
24 federally recognized American Indian tribe may retain a portion of the amount of an  
25 overpayment the state is authorized to retain under 7 USC 2025 that is recovered

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1 under sub. (1) due to the efforts of an employee or officer of the county or tribe. The  
2 department shall promulgate a rule establishing the portion of the amount of the  
3 overpayment that the county or governing body may retain. This ~~paragraph~~  
4 subsection does not apply to recovery of an overpayment that was made as a result  
5 of state, county, or tribal governing body error.

6 **SECTION 1555.** 49.793 (2) (b) of the statutes is repealed.

7 **SECTION 1556.** 49.795 (title) of the statutes is renumbered 49.375 (title) and  
8 amended to read:

9 **49.375 (title) ~~Food stamp~~ Supplemental nutrition assistance program**  
10 **offenses.**

11 **SECTION 1557.** 49.795 (1) (intro.) of the statutes is renumbered 49.375 (1)  
12 (intro.).

13 **SECTION 1558.** 49.795 (1) (a) of the statutes is renumbered 49.375 (1) (a) and  
14 amended to read:

15 49.375 (1) (a) "Eligible person" means a member of a household certified as  
16 eligible for the ~~food stamp~~ supplemental nutrition assistance program or a person  
17 authorized to represent a certified household under 7 USC 2020 (e) (7).

18 **SECTION 1559.** 49.795 (1) (b) of the statutes is renumbered 49.375 (1) (b) and  
19 amended to read:

20 49.375 (1) (b) "Food" means items ~~which~~ that may be purchased using ~~food~~  
21 ~~coupons~~ supplemental nutrition assistance program benefits under 7 USC 2012 (g)  
22 and 2016 (b).

23 **SECTION 1560.** 49.795 (1) (c) of the statutes is renumbered 49.375 (1) (c) and  
24 amended to read:

**BILL****SECTION 1560**

1           49.375 (1) (c) "~~Food stamp~~ Supplemental nutrition assistance program" means  
2 the federal ~~food stamp~~ supplemental nutrition assistance program under 7 USC  
3 2011 to ~~2029~~ 2036.

4           **SECTION 1561.** 49.795 (1) (d) of the statutes is renumbered 49.375 (1) (d) and  
5 amended to read:

6           49.375 (1) (d) "Supplier" means a retail grocery store or other person  
7 authorized by the federal department of agriculture to accept ~~food coupons~~  
8 supplemental nutrition assistance program benefits in exchange for food under the  
9 ~~food stamp~~ supplemental nutrition assistance program.

10          **SECTION 1562.** 49.795 (1) (e) (intro.) of the statutes is renumbered 49.375 (1)  
11 (e) (intro.).

12          **SECTION 1563.** 49.795 (1) (e) 1. of the statutes is amended to read:

13          49.795 (1) (e) 1. An employee or officer of the federal government, the state,  
14 ~~a county~~ or a federally recognized American Indian tribe acting in the course of  
15 official duties in connection with the food stamp program.

16          **SECTION 1564.** 49.795 (1) (e) 1. of the statutes, as affected by 2011 Wisconsin  
17 Act .... (this act), is renumbered 49.375 (1) (e) 1. and amended to read:

18          49.375 (1) (e) 1. An employee or officer of the federal government, the state, or  
19 a federally recognized American Indian tribe acting in the course of official duties in  
20 connection with the ~~food stamp~~ supplemental nutrition assistance program.

21          **SECTION 1565.** 49.795 (1) (e) 2. of the statutes is amended to read:

22          49.795 (1) (e) 2. A person acting in the course of duties under a contract with  
23 the federal government, the state, ~~a county~~ or a federally recognized American  
24 Indian tribe in connection with the food stamp program.

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1           **SECTION 1566.** 49.795 (1) (e) 2. of the statutes, as affected by 2011 Wisconsin  
2 Act .... (this act), is renumbered 49.375 (1) (e) 2. and amended to read:

3           49.375 (1) (e) 2. A person acting in the course of duties under a contract with  
4 the federal government, the state, or a federally recognized American Indian tribe  
5 in connection with the ~~food stamp~~ supplemental nutrition assistance program.

6           **SECTION 1567.** 49.795 (1) (e) 3. of the statutes is renumbered 49.375 (1) (e) 3.

7           **SECTION 1568.** 49.795 (1) (e) 4. of the statutes is renumbered 49.375 (1) (e) 4.

8           **SECTION 1569.** 49.795 (1) (e) 5. of the statutes is renumbered 49.375 (1) (e) 5.  
9 and amended to read:

10          49.375 (1) (e) 5. A person authorized to redeem ~~food coupons~~ supplemental  
11 nutrition assistance program benefits under 7 USC 2019.

12          **SECTION 1570.** 49.795 (2) of the statutes is renumbered 49.375 (2) and amended  
13 to read:

14          49.375 (2) No person may misstate or conceal facts in a ~~food stamp~~  
15 supplemental nutrition assistance program application or report of income, assets  
16 or household circumstances with intent to secure or continue to receive ~~food stamp~~  
17 supplemental nutrition assistance program benefits.

18          **SECTION 1571.** 49.795 (2m) of the statutes is renumbered 49.375 (2m).

19          **SECTION 1572.** 49.795 (3) of the statutes is renumbered 49.375 (3) and amended  
20 to read:

21          49.375 (3) No person may knowingly issue ~~food coupons~~ supplemental  
22 nutrition assistance program benefits to a person who is not an eligible person or  
23 knowingly issue ~~food coupons~~ supplemental nutrition assistance program benefits  
24 to an eligible person in excess of the amount for which the person's household is  
25 eligible.

**BILL****SECTION 1573**

1           **SECTION 1573.** 49.795 (4) of the statutes is renumbered 49.375 (4) and amended  
2 to read:

3           49.375 (4) No eligible person may knowingly transfer ~~food coupons~~  
4 supplemental nutrition assistance program benefits except to purchase food from a  
5 supplier or knowingly obtain or use ~~food coupons~~ supplemental nutrition assistance  
6 program benefits for which the person's household is not eligible.

7           **SECTION 1574.** 49.795 (5) of the statutes is renumbered 49.375 (5) and amended  
8 to read:

9           49.375 (5) No supplier may knowingly obtain ~~food coupons~~ supplemental  
10 nutrition assistance program benefits except as payment for food or knowingly  
11 obtain ~~food coupons~~ supplemental nutrition assistance program benefits from a  
12 person who is not an eligible person.

13           **SECTION 1575.** 49.795 (6) of the statutes is renumbered 49.375 (6) and amended  
14 to read:

15           49.375 (6) No unauthorized person may knowingly obtain, possess, transfer,  
16 or use ~~food coupons~~ supplemental nutrition assistance program benefits.

17           **SECTION 1576.** 49.795 (7) of the statutes is renumbered 49.375 (7) and amended  
18 to read:

19           49.375 (7) No person may knowingly alter ~~food coupons~~ supplemental nutrition  
20 assistance program benefits.

21           **SECTION 1577.** 49.795 (8) (a) (intro.) of the statutes is renumbered 49.375 (8)  
22 (a) (intro.).

23           **SECTION 1578.** 49.795 (8) (a) 1. of the statutes is renumbered 49.375 (8) (a) 1.  
24 and amended to read:

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1           49.375 (8) (a) 1. If the value of the ~~food-coupons~~ supplemental nutrition  
2 assistance program benefits does not exceed \$100, a person who violates this section  
3 may be fined not more than \$1,000 or imprisoned not more than one year in the  
4 county jail or both.

5           **SECTION 1579.** 49.795 (8) (a) 2. of the statutes is renumbered 49.375 (8) (a) 2.  
6 and amended to read:

7           49.375 (8) (a) 2. If the value of the ~~food-coupons~~ supplemental nutrition  
8 assistance program benefits exceeds \$100, but is less than \$5,000, a person who  
9 violates this section is guilty of a Class I felony.

10           **SECTION 1580.** 49.795 (8) (b) (intro.) of the statutes is renumbered 49.375 (8)  
11 (b) (intro.).

12           **SECTION 1581.** 49.795 (8) (b) 1. of the statutes is renumbered 49.375 (8) (b) 1.  
13 and amended to read:

14           49.375 (8) (b) 1. If the value of the ~~food-coupons~~ supplemental nutrition  
15 assistance program benefits does not exceed \$100, a person who violates this section  
16 may be fined not more than \$1,000 or imprisoned not more than one year in the  
17 county jail or both.

18           **SECTION 1582.** 49.795 (8) (b) 2. of the statutes is renumbered 49.375 (8) (b) 2.  
19 and amended to read:

20           49.375 (8) (b) 2. If the value of the ~~food-coupons~~ supplemental nutrition  
21 assistance program benefits exceeds \$100, but is less than \$5,000, a person who  
22 violates this section is guilty of a Class H felony.

23           **SECTION 1583.** 49.795 (8) (c) of the statutes is renumbered 49.375 (8) (c) and  
24 amended to read:

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1           49.375 (8) (c) For any offense under this section, if the value of the ~~food coupons~~  
2 supplemental nutrition assistance program benefits is \$5,000 or more, a person who  
3 violates this section is guilty of a Class G felony.

4           **SECTION 1584.** 49.795 (8) (d) 1. (intro.) of the statutes is renumbered 49.375 (8)  
5 (d) 1. (intro.) and amended to read:

6           49.375 (8) (d) 1. (intro.) In addition to the penalties applicable under par. (a),  
7 (b), or (c), the court shall suspend a person who violates this section from  
8 participation in the ~~food stamp~~ supplemental nutrition assistance program as  
9 follows:

10          **SECTION 1585.** 49.795 (8) (d) 1. a. of the statutes is renumbered 49.375 (8) (d)  
11 1. a.

12          **SECTION 1586.** 49.795 (8) (d) 1. b. of the statutes is renumbered 49.375 (8) (d)  
13 1. b.

14          **SECTION 1587.** 49.795 (8) (d) 1. c. of the statutes is renumbered 49.375 (8) (d)  
15 1. c.

16          **SECTION 1588.** 49.795 (8) (d) 1m. of the statutes is renumbered 49.375 (8) (d)  
17 1m. and amended to read:

18          49.375 (8) (d) 1m. In addition to the penalties applicable under par. (a), (b), or  
19 (c), a court shall permanently suspend from the ~~food stamp~~ supplemental nutrition  
20 assistance program a person who has been convicted of an offense under 7 USC 2024  
21 (b) or (c) involving an item covered by 7 USC 2024 (b) or (c) having a value of \$500  
22 or more.

23          **SECTION 1589.** 49.795 (8) (d) 2. of the statutes is amended to read:

24          49.795 (8) (d) 2. The person may apply to the county department ~~under s.~~  
25 ~~46.215, 46.22 or 46.23~~ or the federally recognized American Indian tribal governing

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1 body or, if the person is a supplier, to the federal department of agriculture for  
2 reinstatement following the period of suspension, if the suspension is not permanent.

3 **SECTION 1590.** 49.795 (8) (d) 2. of the statutes, as affected by 2011 Wisconsin  
4 Act .... (this act), is renumbered 49.375 (8) (d) 2.

5 **SECTION 1591.** 49.795 (8) (e) 1. (intro.) of the statutes is renumbered 49.375 (8)  
6 (e) 1. (intro.) and amended to read:

7 49.375 (8) (e) 1. (intro.) If a court finds that a person traded a controlled  
8 substance, as defined in s. 961.01 (4), for ~~food coupons~~ supplemental nutrition  
9 assistance program benefits, the court shall suspend the person from participation  
10 in the ~~food stamp~~ supplemental nutrition assistance program as follows:

11 **SECTION 1592.** 49.795 (8) (e) 1. a. of the statutes is renumbered 49.375 (8) (e)  
12 1. a.

13 **SECTION 1593.** 49.795 (8) (e) 1. b. of the statutes is renumbered 49.375 (8) (e)  
14 1. b.

15 **SECTION 1594.** 49.795 (8) (e) 2. of the statutes is renumbered 49.375 (8) (e) 2.  
16 and amended to read:

17 49.375 (8) (e) 2. If a court finds that a person traded firearms, ammunition, or  
18 explosives for ~~food coupons~~ supplemental nutrition assistance program benefits, the  
19 court shall suspend the person permanently from participation in the ~~food stamp~~  
20 supplemental nutrition assistance program.

21 **SECTION 1595.** 49.795 (8) (f) of the statutes is renumbered 49.375 (8) (f) and  
22 amended to read:

23 49.375 (8) (f) Notwithstanding par. (d), in addition to the penalties applicable  
24 under par. (a), (b), or (c), the court shall suspend from the ~~food stamp~~ supplemental  
25 nutrition assistance program for a period of 10 years a person who fraudulently

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1 misstates or misrepresents his or her identity or place of residence for the purpose  
2 of receiving multiple benefits simultaneously under the ~~food stamp~~ supplemental  
3 nutrition assistance program.

4 **SECTION 1596.** 49.797 (title) of the statutes is renumbered 49.377 (title).

5 **SECTION 1597.** 49.797 (1) of the statutes is renumbered 49.377 (1) and amended  
6 to read:

7 49.377 (1) DEFINITION. In this section, "~~food stamp program~~" "supplemental  
8 nutrition assistance program" means the federal ~~food stamp~~ supplemental nutrition  
9 assistance program under 7 USC 2011 to 2029 2036 or, if the department determines  
10 that the ~~food stamp~~ supplemental nutrition assistance program no longer exists, a  
11 nutrition program that the department determines is a successor to the ~~food stamp~~  
12 supplemental nutrition assistance program.

13 **SECTION 1598.** 49.797 (2) (a) of the statutes is renumbered 49.377 (2) and  
14 amended to read:

15 49.377 (2) ~~Notwithstanding s. 46.028 and except as provided in par. (b) and sub.~~  
16 ~~(8), the~~ The department shall administer a statewide program to deliver ~~food stamp~~  
17 supplemental nutrition assistance program benefits to recipients of ~~food stamp~~  
18 supplemental nutrition assistance program benefits by an electronic benefit transfer  
19 system. All suppliers, as defined in s. ~~49.795 (1)~~ 49.375 (1) (d), may participate in the  
20 delivery of ~~food stamp~~ supplemental nutrition assistance program benefits under the  
21 electronic benefit transfer system. The department shall explore methods by which  
22 nontraditional retailers, such as farmers' markets, may participate in the delivery  
23 of ~~food stamp~~ supplemental nutrition assistance program benefits under the  
24 electronic benefit transfer system.

25 **SECTION 1599.** 49.797 (2) (b) of the statutes is repealed.

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1           **SECTION 1600.** 49.797 (4) of the statutes is renumbered 49.377 (4).

2           **SECTION 1601.** 49.797 (5) of the statutes is renumbered 49.377 (5).

3           **SECTION 1602.** 49.797 (6) of the statutes is renumbered 49.377 (6).

4           **SECTION 1603.** 49.797 (7) of the statutes is renumbered 49.377 (7).

5           **SECTION 1604.** 49.797 (8) of the statutes is amended to read:

6           49.797 (8) ~~COUNTY~~ TRIBAL GOVERNING BODY PARTICIPATION; EXCEPTION. The  
7 department may not require a ~~county or~~ tribal governing body to participate in an  
8 electronic benefit transfer system under this section if the costs to the ~~county or~~ tribal  
9 governing body would be greater than the costs that the ~~county or~~ tribal governing  
10 body would incur in delivering the benefits through a system that is not an electronic  
11 benefit transfer system.

12           **SECTION 1605.** 49.797 (8) of the statutes, as affected by 2011 Wisconsin Act ....  
13 (this act), is repealed.

14           **SECTION 1606.** 49.825 of the statutes, as affected by 2011 Wisconsin Act .... (this  
15 act), is repealed.

16           **SECTION 1607.** 49.825 (2) (a) 2. of the statutes is repealed.

17           **SECTION 1608.** 49.83 of the statutes is amended to read:

18           **49.83 Limitation on giving information.** Except as provided under ss.  
19 49.25 and 49.32 (9), (10), and (10m), no person may use or disclose information  
20 concerning applicants and recipients of relief funded by a relief block grant, aid to  
21 families with dependent children, Wisconsin Works under ss. 49.141 to 49.161, social  
22 services, child and spousal support and establishment of paternity and medical  
23 support liability services under s. 49.22, or supplemental payments under s. 49.77,  
24 2009 stats., or s. 49.39 for any purpose not connected with the administration of the  
25 programs, except that the department of children and families may disclose such

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1 information to the department of revenue for the sole purpose of administering state  
2 taxes. Any person violating this section may be fined not less than \$25 nor more than  
3 \$500 or imprisoned in the county jail not less than 10 days nor more than one year  
4 or both.

5 **SECTION 1609.** 49.84 (5) of the statutes is amended to read:

6 49.84 (5) A person applying for Wisconsin ~~works~~ Works under ss. 49.141 to  
7 49.161, aid to families with dependent children under s. 49.19, medical assistance  
8 under subch. IV, or ~~food stamp~~ supplemental nutrition assistance program benefits  
9 under 7 USC 2011 to ~~2029~~ 2036 shall, as a condition of eligibility, provide a  
10 declaration and other verification of citizenship or satisfactory immigration status  
11 as required by the department by rule or as required in 42 USC 1320b-7 (d).

12 **SECTION 1610.** 49.845 (1) of the statutes is amended to read:

13 49.845 (1) FRAUD INVESTIGATION. From the appropriations under s. 20.435 (4)  
14 (bn), (kz), (L), and (nn), the department of health services shall establish a program  
15 to investigate suspected fraudulent activity on the part of recipients of medical  
16 assistance under subch. IV, food stamp benefits under the food stamp program under  
17 7 USC 2011 to 2036, ~~supplemental security income payments under s. 49.77,~~  
18 ~~payments for the support of children of supplemental security income recipients~~  
19 ~~under s. 49.775,~~ and health care benefits under the Badger Care health care program  
20 under s. 49.665 and, if the department of children and families contracts with the  
21 department of health services under sub. (4), on the part of recipients of aid to  
22 families with dependent children under s. 49.19, supplemental security income  
23 payments under s. 49.77, 2009 stats., or s. 49.39, payments for the support of children  
24 of supplemental security income recipients under s. 49.775, 2009 stats., or s. 49.395,  
25 and participants in the Wisconsin Works program under ss. 49.141 to 49.161. The